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10 February 1986

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FIJI

SILENCE OVER N-SHIP VISIT IS CONDEMNED

Auckland THE NEW ZEALAND HERALD in English 6 Jan 86 p 2

[Text] The sudden arrival in Suva of a United States Navy nuclear-attack submarine has produced a wave of political and newspaper criticism of the Fiji Government.

The 6900-tonne 110m long submarine Portsmouth sailed into Suva Harbour on Saturday morning after the United States Embassy late on Friday afternoon issued a brief statement that a submarine would spend three days in the port.

The Portsmouth is the first nuclear warship of any type to visit Fiji, which two years ago reversed its policy of barring from its ports warships that could be carrying nuclear weapons.

That decision was made after pressure put on the Prime Minister, Ratu Sir Kamisese Mara, by the then American ambassador and was followed up by offers that will make Fiji the first Pacific Island country to receive direct American aid.

The submarine anchored in the quarantine section of the harbour and the Government announced that no craft was to approach within 200m.

A police and Fiji Navy cordon was put round the submarine. But several small craft, including a boat carrying placard-waving protestors, were allowed to approach close to her earlier.

The Fiji police had refused to issue a permit for a demonstration march, which participants in a peace conference wanted to make through Suva on Saturday morning.

The official reason given was that the march would interrupt busy Saturday traffic, although demonstrations have been allowed at such a time before.

The president of the Fiji Labour Party, Dr Timoci Bavadra, described the Government as an American puppet.

Both daily newspapers in editorials sharply criticised the Government's failure to announce the visit of such a controversial ship and the short notice of the submarine's arrival.

The Fiji Secretary for Home Affairs, Mr Peter Howard, said the Government had known of the visit for three of four weeks but was in no position to announce it.

The submarine's arrival coincided with the closing of a week-long peace conference attended by 300 people from 28 countries.

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CSO: 4200/587

INDONESIA

MOCHTAR'S BLUEPRINT FOR PEACE IN CAMBODIA

Sydney THE AUSTRALIAN in English 18 Dec 85 p 8

[Text]

During the visit to Australia by the Foreign Minister of Indonesia, Dr Mochtar, one of the most important issues under discussion has been the attempt to find a settlement of the conflict in Kampuchea. Below is an edited version of a recent paper by Dr Mochtar in which he sets out the Indonesian view of the Kampuchean problem and proposes a solution

ON September 21, 1983, ASEAN issued "an appeal for Kampuchean Independence" stating that withdrawal of foreign forces, the exercise of the right of self-determination and national reconciliation were three essential elements for the survival of Kampuchea as a free nation.

This appeal called specifically for initial steps which would include the beginning of the withdrawal of foreign forces on a territorial basis, the observation of a ceasefire, the introduction of peace-keeping or observer groups and economic assistance to the liberated areas. These would be followed by internationally supervised elections with the participation of all political groups and within the framework of reconciliation.

The ASEAN formula for the peaceful political solution of the Kampuchean problem has as its strategic objective the establishment of a sovereign, independent, neutral and non-aligned Kampuchea.

Such a genuinely independent Kampuchea which is friendly to its immediate

neighbours is the only viable alternative for a lasting peace and stability in South-East Asia. Other alternatives, be it a Chinese dominated or Vietnam dominated Kampuchea, will not bring lasting peace and political stability to the region as they will invite reaction from the opposite party, nor will they be acceptable to the countries of ASEAN.

The idea of national reconciliation among all Kampuchean factions, including Heng Samrin's group - I use the word "group" intentionally, to differentiate it from Hang Samrin's puppet government - has been propounded and continuously referred to by President Sihanouk of the coalition Government of Democratic Kampuchea.

Vietnam's answer to all international calls has been its declaration of the "irreversibility of the situation in Kampuchea", which amounts to nothing but international acceptance of the fait accompli it has created in Kampuchea by military force.

In their joint statement of January 1984 the Indo-Chinese States made an oblique attempt at replying indirectly to ASEAN's appeal of September 1983.

This statement introduced five alternatives:

A GLOBAL solution of all problems in South-East Asia.

A PARTIAL settlement which includes the termination of the Chinese threat and of "utilisation of Thai territory" by the Pol Pot regime.

ESTABLISHING a safety zone on both sides of the Thai-Kampuchea border.

THE conclusion of a framework agreement between the Indo-China group and the ASEAN group governing their relations "pending a global solution of the Kampuchea issue".

THE continuation of the present situation.

Clearly these choices ignored and skirted the actual and pertinent issue of the situation in Kampuchea itself, caused by the invasion of that country by Vietnamese troops. Instead they aimed at the recognition, implied or otherwise, by ASEAN and the rest of the world of the fait accompli Vietnam had created.

The most recent statement of Vietnam and Laos plus the Heng Samrin regime unashamedly demanded the acquiescence of the world to the fruits of Vietnam's military adventure. It stated that "the

great achievements" of the Heng Samrin regime in various areas "more than ever confirms the irreversibility of the situation in Kampuchea".

Then with tongue in cheek the Indo-Chinese States called for "joint discussions between the two groups of countries to settle all problems raised by each side".

Here, once again, Vietnam treats the Kampuchean situation as only one of a number of issues to be discussed. The view of ASEAN, supported by an overwhelming majority of the international community, is that the major issue to be solved and settled first is Vietnam's military occupation and the restoration of Kampuchea's independence.

In studying the Kampuchean problem it should be realised that it is a very complex matter and is, in fact, a situation where several problems are rolled into one.

On the surface it is an international conflict involving the States of Kampuchea and Vietnam. It is on this basis that the problem is being treated in international forums.

Underlying the inter-State conflict, however, are other conflict situations: the conflict between the Khmer and Vietnamese communist parties; the conflict between the Khmer and Vietnamese peoples; superimposed on which is the conflict between China and Japan.

It is further complicated by the uneasy relationship between the USSR and China and the traditional hostility and suspicion between Thailand and Vietnam.

Another point which should be realised is that the Kampuchean problem is a manifestation of the conflict between two competing strategies in South-East Asia, namely the Chinese strategy implemented through the Pol Pot regime and the Soviet-backed Vietnam strategy championing Heng Samrin as the "real" government of the Kampuchean people.

It is this particular aspect of the Kampuchean conflict, being the fulcrum of two competing strategies for the hegemony of South-East Asia, which makes the Kampuchean problem an intractable one. Any attempt to solve

the Kampuchean problem without recognising this basic fact is bound to fail as the two contending parties have the will and the endurance to continue the conflict indefinitely.

It is Indonesia's view that the political fate of South-East Asia cannot be left to the competition of these two strategies which by their own admission are bent on the domination of South-East Asia.

The Indonesian, and now ASEAN, strategy for South-East Asia and the settlement of the Kampuchean problem requires that the above strategic equation be corrected.

In our view, South-East Asia can only have lasting peace and stability if each country in the region is left to live in peace and if there is allowed a genuine peaceful co-existence between States, irrespective of their political, economic and social systems.

Vietnam should not be completely left dependent on the USSR, but should be encouraged to normalise its relations with the Western world, notably the United States. The US should re-establish its presence in South-East Asia not through a new military engagement but in a peaceful, constructive way.

The 12 points we believe should form the basis of framework for the settlement of the Kampuchean problem are:

Strategic framework: This strategic framework is in line with ASEAN's concept that the US should be included in the strategic equation in South-East Asia, aside from China and the USSR. Normalisation of the relations between Vietnam and the US should be endeavoured but the first step towards it should be the settlement of the MIA (US servicemen missing in action). Therefore Indonesia has been encouraging both sides to negotiate.

ASEAN's view on normalisation is the same as the US and China, that normalisation of relations between the US and Vietnam should be the end rather than the beginning of the process. Originally, Vietnam's game plan is aimed at normalisation first and then the settlement of the Kampuchean problem. So we still have a fundamental difference here.

Strategic objective: The ultimate goal of this strategy is to have an independent, free, neutral and non-aligned Kampuchea. The inclusion of the word "free" is well advised because ASEAN wants, if possible, a non-communist Kampuchea. "Neutral" is a political-legal term which means that the terms of settlement of the Kampuchean question need to guarantee the big powers, the US, USSR and China.

This notion had been ASEAN's basic position for the past three years, since it was formulated in Kuala Lumpur and accepted by China. It now seems to be agreeable also to Vietnam.

Time frame: The time frame for the withdrawal of the Vietnamese troops from Kampuchea as set by Vietnam is 1990. However, on other occasions Co Thach also stated that in the event a political solution could be reached, the withdrawal could take place as early as 1988 or even 1987.

In order to achieve a political solution it is imperative that pressure on Vietnam be kept on the ground and in the United Nations.

Format of a limited conference: Aside from Vietnam, Laos and ASEAN, the other participants of the limited international conference will be decided upon by mutual agreement. It will include the permanent members of the Security Council and other participants, such as India, Australia and Sweden. There is broad agreement on this subject.

Talks between the main protagonists: ASEAN's basic position is that the main protagonists are the CGDK

(Coalition Government of Democratic Kampuchea) and Vietnam. The proximity talks are a refinement of this basic idea where Heng Samrin can be included in the Vietnamese delegation.

Direct talks between CGDK and Heng Samrin should not be tolerated, since they would confirm the legitimacy of Heng Samrin. ASEAN should stick to its position although Vietnam does not for the time being accept it. But if the other factors in the 12 points could be negotiated and be made acceptable, they may accept it. ASEAN should continue to ripen the purposes until they have no alternatives left.

Vietnam has been reminded of the need for a speedy solution of the Kampuchean problem, taking into account the following factors:

IF THE resistance grows to such a point that CGDK feels there is no longer any need to talk to Vietnam, then it is too late.

AT THE end of 1986, President Reagan may not be as effective as he will be at the first half of that year, because he will be approaching the end, that is, the second half of his term of office.

National reconciliation: Basically, the process of national reconciliation should include all factions. If the Khmer Rouge is not included then the Chinese will not bless the settlement. On the other hand, if Heng Samrin is not included then the Vietnamese will not accept it.

Withdrawal of Vietnamese troops: ASEAN believes withdrawal of Vietnamese troops should proceed on a territorial basis, starting from the Thai-Kampuchea border.

Safety zone: ASEAN maintains that the safety zone should only be inside Kampuchea.

International force: There are different kinds of international forces such as peace-keeping forces, interposing forces, depending on the role they are expected to play. An interposing force does not necessarily presuppose a United Nations imposed solution.

International control commission: There are several types of such bodies. This is still negotiable.

Election referendum: Within an agreed specified period elections will be held in Kampuchea under international supervision.

Government of national reconciliation: The efforts for a political solution should lead to a government of national reconciliation headed by Prince Sihanouk as head of government. The Heng Samrin Government may be included in the process of national reconciliation. To generate public confidence and facilitate national reconciliation controversial personalities such as Pol Pot, Ieng Sary and some people from the Heng Samrin group should be "retired" and removed from the scene.

A conflict of two strategies

INDONESIA

MINISTER DISCUSSES DIRECT TRADE WITH PRC

BK211017 Jakarta ANTARA in English 0840 GMT 21 Jan 86

[Text] Jakarta, 21 Jan (ANTARA)--Trade Minister Rachmat Saleh Monday stated that the implementation of direct trade with the People's Republic of China will face no problems including that about surveyor reports.

In an interview with ANTARA Minister Rachmat Saleh said that the import goods from the country will be examined by PRC's surveyor CCIC [not further identified] as the Societe Generale de Surveillance (SGS)'s representative while the goods shipped through Hong Kong will be examined by the SGS representative in Hong Kong.

The fact is, Minister Rachmat Saleh added, that only little commodities are shipped directly to Indonesia from PRC. More are usually shipped to Hong Kong and then moved to another ship going to Indonesia.

The director general for domestic trade, Karjono Wiriprawiro, said on the occasion that through the Presidential Instruction (INPRES) No 4/1985 the government had designated Sucofinco for the examination of export and import goods. With the directives from the government Sucofindo cooperates with the SGS for the examination of the goods abroad.

According to the contract the SGS includes its representatives in various countries. This means that the SGS is allowed to cooperate with local surveyor companies, Karjono added.

With regard to PRC, Karjono said, the SGS had since 1979 cooperated with CCIC for the examination of export and import goods in the country.

In view of this the Indonesian Government sees no problems on goods from PRC. The Indonesian Government only acknowledges the SGS in the matter. PRC's surveyor company CCIC issues surveyor reports under the name of SGS, the surveyor company recognized by Indonesia, Karjono stressed.

He denied news that direct imports from PRC had gone unsmoothly. He said many transactions had been carried out such as those of cotton, garlic and consumer goods.

The most important thing is that the suppliers must inform the CCIC or the Jakarta chapter of SGS when conducting transaction. Besides that the bank receiving the L/C may also inform the SGS representative in PRC.

Karjono emphasized that everything will go well if the procedures are followed.

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CSO: 4200/574

INDONESIA

FRENCH FIRM ADVISING ON DESIGN FOR SATELLITES

BK221017 Jakarta ANTARA in English 0956 GMT 22 Jan 86

[Text] Jakarta, 22 Jan (ANTARA)--"Satel Conseil" from France, which has been assigned as consulting firm to design the Palapa generation-C satellites, gave Tuesday several preliminary conclusions to Minister for Tourism, Post and Telecommunication Achmad Tahir.

The French consulting firm also asked the telecommunication minister for suggestions so that by the end of 1986 a request of proposal could be prepared for the generation-C satellites, the public relations officer of the Tourism, Post and Telecommunication Ministry, A.D.D. Leimena, told newsmen after the meeting.

At the meeting, Minister Tahir disclosed several factors which need attention in connection with the operation of the generation-C satellites during Pelita V and VI (Fifth and Sixth Five-Year Development Plans, 1988-1999).

During these periods, Indonesia is expected to have reached the self-propelling stage (of its industrialization process), Minister Tahir said. He expects, therefore, that the Palapa generation-C satellites should be designed in accordance with those period requirements and capable of stepping up development during those periods.

The Palapa satellite system has up to now used two generations, viz. generation-A, consisting of A-1 and A-2, followed by generation-B, viz. B-1 and B-2 (failed to reach its orbit) and B-3 which will be launched in June 1986.

According to Leimena, Palapa B-1 and B-3 are estimated to last until 1991/1992. Generation-C satellites should therefore be prepared well in advance, about four to five years before operation.

In the framework of cooperation with France, the Satel Conseil consulting firm has been assigned to carry out, in collaboration with a team of the Directorate General of Post and Telecommunication and "Perumtel" Telecommunication Corporation, studies on planning as well as to define the criteria pertaining to service requirements of the generation-C satellites until the year 2000.

For previous generations, Indonesia assigned the American consulting firm "Tele Consultant," but due to the free of charge offer from France, Indonesia this time has chosen the French consulting firm, Leimena said.

INDONESIA

BRIEFS

RIFTS WITHIN CAMBODIAN RESISTANCE--The Indonesian foreign minister, Dr Mokhtar Kusumaatmaja, has said that the rift in the KPNLF leadership is not necessarily a setback to the Cambodian resistance movement or to ASEAN. He said there was a generation gap within the movement. It is better that it surfaces and is solved, otherwise it will fester and decrease the effectiveness of the movement. Dr Mokhtar is confident that the KPNLF has enough regenerative powers to overcome the problem. The Indonesian foreign minister made the remarks in an interview with the Singapore Broadcasting Corporation during a stopover on his way home from Morocco. [Text] [Singapore Domestic Service in English 1300 GMT 19 Jan 86] /8309

CSO: 4200/574

LAOS

7TH PLENUM RESOLUTION ON DEFENSE, SECURITY PUBLISHED

Vientiane PATHET LAO in Lao No 1, 1985 p 1

[Article excerpted from the 7th Congress 3rd session of the Central Executive [LPRP] Committee: "Some Primary Duties and Comprehensive Goals for Work Sections in 1985"]

[Text] The policy and the content of the main work indicated in various plenums of the LPRP Central Committee since the 3rd party congress are still valid, and they will continue to be implemented. Here we add a number of goals and comprehensive techniques for 1985, as follows.

National Defense and Security

For the duties of national defense and security in 1985 we must continue to raise consciousness higher and to follow changes in the international situation, e.g., regarding what is happening in our region closely, to find and prepare to dismantle all the schemes and destructive acts of the enemies in encroaching upon, infiltrating, espionage, building nests for robbers, destruction by arms, political and psychological warfare, and against the economy and rebellions in a timely manner. We must learn our lessons and firmly grasp the enemies' methods and find out their new schemes in a timely manner so that we can adopt an effective plan and method to change their plan, attack them, and eliminate every factor that would provoke unrest. We must work to increase the solidarity and carry out internal protection, protect leading organizations in the center and localities, and effectively protect important economic and cultural bases. We must make the conversion to localities and bases the primary strategic method. We must pay significant attention in important areas and in the areas of ethnic groups on the northern and southern borders. We must find time in the dry season to put energy and guidance into mobilizing the masses and improving the dictatorship of the proletariat in the bases, and in focusing on training the ranks of the cadres and improving the party base organization. We must increase security, encourage production, and raise the standard of living in order to improving the unrest situation in areas that are farthest to our rear.

We must work to construct and improve the military forces in both quantity and quality in terms of politics, command structure, and logistics department. We must effectively carry out regional forces and the [rear army's] policy.

We must improve and expand the public security service [PSS], train the PSS network from the grassroots up, and check and train these forces to ensure their political quality and their skills in specialized tasks.

The ministries of defense and interior must find ways to increase protection in different cities, e.g., Vientiane Capital and other important and political [targets], and to guarantee absolute security at different big festivals. The Ministry of Interior must increase the number of cadres to help localities in defense and in doing a good job in reforming former soldiers, because these are places that the enemies are using and a gap for developing relations for destroying us.

We must increase the number of ways to improve defense and economic relations between Laos, Vietnam, and Cambodia so that we can all cooperate with each other in constructing and expanding the economy and in constructing and improving logistics strategy. We must also guarantee national defense and security, and work together to prepare to confront any situation.

The Central Committee for National Defense and Security will set a comprehensive resolution concerning this task.

9884/12899

CSO: 4206/43

LAOS

FURTHER REPORTAGE ON MONGOLIAN FRIENDSHIP HOSPITAL

Vientiane PATHET LAO in Lao No 2, 1985 pp 8, 9

[Article by Bounhom Vongdavan: "A Gift From Our Mongolian Friends"]

[Text] Construction of the Phonsavan hospital in the Xieng Khouang provincial municipality began in 1980 and was completed on 24 July 1984. The Lao engineers and workers and experts from the Mongolian People's Republic (MPR) worked together with sweat and energy on the construction until it was completed according to the 29 February 1979 agreement and the protocol for the construction of a free 60-bed hospital for the LPDR government.

The hospital consists of three 2-storey concrete buildings. There is also a kitchen and morgue. A beautiful green and spacious lawn surrounds the hospital. Each day it takes in 150 patients for examination and treatment. The total cost of construction along with a complete set of medical equipment was over 11 million tugrik (Mongolian currency).

Comrade Mrs. Viengsam, chief of the hospital board of directors, told us that after the construction was completed the MPR sent 18 medical experts to this hospital for 2 years in order to help to guide young Lao medics to use modern scientific and technological equipment for treating patients in every section, especially for radiation treatment which is new for our country.

There are 5 main sections in this hospital: outpatient, in-patient, isolation, operations, and obstetrics, and 30 other small sections. There is a total of 68 cadres, including 9 high-level, 15 mid-level, and 44 basic-level medical cadres.

There were many difficulties with service and treatment in the hospital in the past because, for example, the cadres were not capable enough and did not have enough experience. There is a small number of high-level and mid-level medical cadres, and most are basic-level. However, each section has modern medical equipment. Because of their decisiveness and always improving their own self-mastery and self-reliance, they learned while they worked. Also, because of the close assistance of the MPR medical experts we have gradually become self-sufficient step by step. At the beginning we achieved the following: examined 3,424 patients, performed

281 major and minor operations, gave dental treatment to 44 people, helped 48 mothers in labor, gave 3,000 injections, and gave out medicines over 8,000 times.

These achievements have also taken an important part in preventing diseases, and nurturing and treating patients so they will be healthy for national defense and construction, and they are also achievements for our nation's 2 historic days in 1985.

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CSO: 4206/43

LAOS

MOUNTAIN AREA DEVELOPMENT CORPORATION WORK VIEWED

Vientiane PATHET LAO in Lao No 2, 1985 pp 10, 11

[Article by Sakda Chanthaveo: "Mountain Area Development"]

[Text] The primary objective of the Mountain Area Development Company is to organize tree felling and collection of forest products, along with improving the forests and building a new life in the mountainous areas of four provinces, the eastern part of Khammouan Province, most of Bolikhamsai Province, the southern part of Xieng Khouang Province, and the eastern part of Vientiane Province. Cooperation in this task was received from the SRV, the USSR, and the People's Republic of Bulgaria (PRB) in assuring the economic planning, the expansion of production according to a [set] pattern, and enterprises that make products. This is to strengthen socioeconomic construction in the mountainous areas.

The Mountain Area Development Company is carrying out its duty in two provinces, Khammouan and Bolikhamsai, which have just been organized and started at the beginning of this year. Although they faced many difficulties at the beginning, e.g., places to stay, the equipment and the small number of workers, by their spirit of responsibility to their honored obligation the Lao workers have worked closely with the Vietnamese, Soviets, and Bulgarians in emulation and successfully and satisfactorily achieved their first 3 months of 1985. They were able to cut down a total of over 15,000 cubic meters of trees and obtained over 10 tons of resin, repaired over 200 km from Gnommalat District, Khammouan Province, to the shipping port of (Xuan Hai) in the SRV, and constructed a 64-meter bridge across the Gnom River in Gnommalat District which can carry over 40 tons. This bridge has been half completed. They also hauled 1,500 cubic meters of lumber to the port of (Xuan Hai) for export. This is the first time that our country has exported lumber to neighboring countries in the east that have a special solidarity and all-round cooperation with us.

They also took part in constructing the political base and in building a new life in the mountainous areas so they can have schools, hospitals, large and beautiful houses, convenient communications and stores, all that is bright and growing. All this indicates the attention given by the party and the government to develop remote mountain and rural areas and to raise the standard of living of the people of ethnic groups step by step in all areas.

Now and in the future the main work of the company is to work unceasingly to score achievements to make this coming 10th anniversary of the LPDR more profound. Our workers must increase their revolutionary fervor and become a driving force in working with determination in both tree felling and in manufacturing for domestic construction, in hauling logs for export, and in earning income for capital to expand the wood industry, manufacturing, etc., in order to take part in strengthening national economic construction.

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CSO: 4206/43

LAOS

FURTHER REPORT ON GDR COFFEE PROJECT, PRODUCTION

Vientiane PATHET LAO in Lao No 4, 1984 pp 2, 3

[Article by Sakda Thiphan: "The Laos-German Democratic Republic Coffee-Tea Project"]

[Text] The climate on the plateau is excellent for growing all kinds of plants as the foundation for gradual industrial expansion. Pak Song District, Champassak Province, is still an intensive coffee and tea-growing area. The people of ethnic groups have been producing this as their primary occupation for a long time until it became widely popular among the masses domestically and abroad. Thus the name, "the land of coffee."

The coffee and tea project was set up on this land with cooperation from the GDR in order to engage in large-scale production, to apply new and high efficiency scientific technology, and to increase quantity.

The project has 5,000 hectares in the southern part of Pak Song District that was cleared and expanded for coffee and tea growing.

The Lao and GDR technicians surveyed the area in 1982. It was difficult in the beginning because of the people's scattered production, areas were unconnected, and they were unable to clear the areas continuously. In 1984 the coffee and tea project began to grow coffee. It was divided into many sections, e.g., the coffee seedling center for 80,000 seedling coffee plants including 3 types of young seedlings for small, medium, and large coffee beans. The medium ones grow well. The coffee-growing settlement has already grown 24,000 coffee plants on 28 hectares this year, and has revived and cut 6 hectares on 2 old coffee plantations. They cleared an additional 50 hectares for this year by using 19 bulldozers and scrapers and 29 transport trucks, and 1 garage for engine storage and repairs. They cleared 16 km of road.

They constructed one coffee mill for all kinds of coffee which is able to categorize coffee types 95 percent successfully, and is able to produce 4,000 kg per hour. Besides the construction of two houses for the workers, there are also service sections, e.g., administration, finance, machines for sewing coffee sacks, and a unit to promote animal production which now has over 100 cattle. There is a total of 182 people on the coffee and tea

project including 4 high-level and 8 mid-level technicians, 4 experts from the GDR, and 5 members on the board of directors. Mr Khamchan Kommaseng is the project chief.

The main activity of the project is to clear land and expand the growing of coffee and tea. The workers have been working and emulating each other to turn over a new leaf with high responsibility. The youth union, the Lao Women's Organization, and the trade union have become driving forces in different aspects of the project. They all have scored achievements, are trained on the job, and have tried to be creative and to find the most effective technique to steadily increase the capacity for growing coffee and tea, for example, by modifying the traditional, unplanned, labor-consuming methods. They also trained the workers to become skilled in using each type of machine for coffee and tea growing in order to save human labor gradually. These are all new and progressive techniques.

The coffee and tea project in Pak Song District was set up to be the foundation for large-scale production for one type of export goods.

The coffee-growing area in Saravane and Attapeu Provinces is approximately half a million hectares, of which 14,000 hectares have been planted. We are able to produce 2,000 tons of coffee each year, and we have great confidence that we will be able to produce 20,000 tons a year in the future. The expansion of coffee and tea production in the southeastern part of our country will succeed beautifully in the future under the leadership of our LPRP.

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CSO: 4206/43

MALAYSIA

COMMENTARY SAYS THIRD ASEAN SUMMIT WARRANTED

BK151212 Kuala Lumpur International Service in English 0800 GMT 15 Jan 86

[Station commentary]

[Text] The senior ASEAN officials who are meeting in Manila have responded positively to the proposal put forward by the Government of Thailand that an ASEAN summit should be held in the near future. The fact that no ASEAN summit has been held since 1977 when the group met in the Malaysian capital, Kuala Lumpur, [words indistinct]. After all, ASEAN has always been in the forefront of regional cooperation, and it has become not only a respected association, but it proves to be the most enduring of all regional bodies that have emerged in Southeast Asia today. The founding fathers of ASEAN had always wanted this organization to be an association of peoples and not merely a formal arrangement for the frequent meetings of heads of state or heads of government.

The first ASEAN summit was held in Bali, Indonesia, in February 1976. The Bali summit meeting came after the end of the war in Indochina. There was also a downturn in the international economic situation, including the 1973-74 oil price increases. That phenomenon had greatly stimulated in Southeast Asia much interest in the debate on a new international economic order. This development coincided with the withdrawal of great power involvement in Southeast Asia. The ASEAN members were inspired to think in terms of greater regional unity as well as autonomy. "A declaration of ASEAN concord, which was signed in Bali, embodies this ideal and aspiration. Therefore, the Bali summit extended the sense of common political interests into the area of economic cooperation.

The second ASEAN summit was held in Kuala Lumpur in August 1977. By this time, ASEAN had not only established its credibility beyond doubt, but had become a force in international relations. Apart from bringing together diplomats and government officials, ASEAN was progressing steadily into common economic and trade factors. It is this process of coordination of policies and interests at many different levels and in many different spectrums that provides ASEAN its resilience.

There are good reasons for planning the third ASEAN summit. Many political and economic changes have occurred in this region to warrant such an ASEAN summit. ASEAN today has six members, with the admission of Brunei into the organization in 1984. There are several requests for membership or at least for considerations as dialogue partners--a privilege which is now confined to Japan, Canada, the United States, the European Economic Community, Australia, and New Zealand. The continued occupation of Kampuchea by Vietnamese troops is a major preoccupation of ASEAN members. Above all, the worsening world economic recession calls for the closing of the ranks to cope with the growing threat of protectionism and to plan a viable ASEAN alternative for stability and growth. ASEAN has already adopted a pragmatic approach to political and economic events that will also prove to be the case when the third ASEAN summit is held.

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MALAYSIA

SABAH RULING PARTY REJECTS COALITION SUGGESTION

HK180946 Hong Kong AFP in English 0846 GMT 18 Jan 86

[Text] Kuala Lumpur, 18 Jan (AFP)--Sabah's predominantly Christian government has rejected federal government suggestions that it form a coalition with other largely Moslem parties in the east Malaysian state, Chief Minister Joseph Pairin Kitingan has said.

Mr. Kitingan, a Catholic lawyer whose Parti Bersatu Sabah (PBS) scored a narrow polls win in April, said yesterday in Kota Kinabalu that the unanimous decision against forming a coalition was taken at a party Supreme Council meeting last night.

Political sources here said that Prime Minister Dr Mahathir Mohamad and other federal leaders had suggested that PBS form a coalition to reduce politicking during a meeting with Mr. Kitingan here in November.

"While Pairin himself appeared amenable, we did not think the proposal would go down well with younger, more radical members of his party," a source close to Dr. Mahathir said, adding "the rejection isn't surprising."

Mr. Kitingan has applied to take his PBS, largely backed by Sabah's Catholic Kadazan community, into Dr. Mahathir's 11-party National Front, but no decision has been made on the application submitted immediately after the April elections.

The sources said the PBS's decision not to opt for a coalition could further delay the party's entry into the National Front.

Federal leaders have expressed concern that Mr. Kitingan's government may not represent Sabah's sizeable Moslem community, most of which backed the United Sabah National Organisation (USNO) and the Parti Berjaya which the PBS dislodged in the bitterly contested state polls.

Mr. Kitingan said that all 49 PBS branches were against any links with USNO or Berjaya on grounds that PBS itself was multi-racial while all races were represented in the state cabinet.

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CSO: 4200/576

MALAYSIA

OFFICIAL DISCUSSES DANGER OF 'MILITANT SECTS'

BK211455 Kuala Lumpur NEW SUNDAY TIMES in English 19 Jan 86 p 2

[Text] Alor Star, Sat--The country is facing a dangerous threat from militant movements which are operating under the guise of religious sects.

Deputy Home Affairs Minister Datuk Radzi Sheikh Ahmad said the government was aware of such movements and was monitoring the situation very closely.

"The threat is widespread in states like Kelantan, Terengganu and Kedah.

"These militant groups are using religion to establish settlements and to accumulate dangerous arms.

"I want the people, particularly the Rela [Voluntary Corps] members, to report to the authorities immediately if they come across such establishments," he said.

Speaking to reporters after opening a Kedah/Perlis Rela joint meeting in Yan this morning, Datuk Radzi said the government was aware of the armed threats from religious movements.

He said Rela was best placed to monitor such movements and report them to the authorities.

"As the eyes and ears of the government, Rela members should not be afraid and be apathetic towards such movements," he said.

Responding to questions from reporters, Datuk Radzi agreed that there were PAS [Pan Malaysian Islamic Party] supporters within Rela.

"This fact is not surprising because PAS was once a component party of Barisan Nasional.

"Naturally PAS members appointed during that period still remain in service today.

"We are carrying out a detailed study of the matter and are listing those who are anti-government within Rela.

"The only way to deal with anti-government sentiment is to expel them from the service.

"It is illogical for the government to retain those who are against it. I do not want to have such people in Rela," he said.

It is learnt there are at least 1,093 PAS members who have joined Rela in Kedah. In Baling alone, it is believed 160 of the total 649 Rela members are PAS supporters and 19 of them are unit leaders.

The biggest number of PAS supporters in Rela is in Pendang. At least 251 of the members are PAS supporters.

Datuk Radzi said Rela had identified and blacklisted those who are anti-government in the service.

He also urged Rela members to play their role well to convince the people that the video recording of the Memali incident as shown over RTM [Radio Television Malaysia] early this month was the truth and not fabricated as claimed by many.

"Rela members are closer to the people. Therefore, they are more capable of convincing the people," he said.

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MALAYSIA

COMMENTARY ON MUSA HITAM'S MEETING IN BANGKOK

BK201128 Kuala Lumpur International Service in English 0800 GMT 20 Jan 86

[Station commentary]

[Text] The Malaysian deputy prime minister, Datuk Musa Hitam, was in Bangkok--the Thai capital--last week as head of the Malaysian delegation to the 30th meeting of the Malaysia-Thai General Border Committee. This is one of the periodic meetings that bring Malaysian and Thai Government leaders and officials together to discuss problems and to devise ways and means to cope with them.

Datuk Musa Hitam's visit provided a good opportunity for the two governments to plan more concerted strategies to wipe out communist guerrillas strongholds in the border region. The Communist Party of Malaya or the CPM, although not the big threat it used to be, has still to be regarded as a common enemy. Datuk Musa's visit resulted in an understanding that Malaysia and Thailand will step up joint military offensives against the CPM terrorists. It has been estimated by intelligence sources that there are about 2,000 terrorists operating along the Malaysian-Thai border. It is probable that there will be joint sea patrols, started with the aim of preventing arms supplies from reaching the guerrillas.

Another topic that Datuk Musa Hitam discussed with his Thai counterpart was the smuggling of arms into Malaysia from Thailand by criminal elements. Although from time to time the law enforcement authority has been able to intercept some weapons and to bring the criminal elements to justice, there are others who have escaped the net. The (?remedy) clearly is more coordinated moves by the two governments and this has been confirmed. Hopefully, the flow of arms will stop altogether in the near future.

The Malaysian deputy prime minister is known for his dedication to the elimination of the drug menace. At the Bangkok meeting he had much cause for satisfaction as the Thai interior minister has brought up the topic. Drug trafficking and drug usage constitute a serious threat to the internal security and the social fabric of both Malaysia and Thailand. Datuk Musa Hitam suggested in Bangkok that the two countries should mobilize more resources to deal with the drug problem.

With the strong Soviet presence in the Indochina region and the Vietnamese harassment of the Thai-Kampuchea border region, it is of particular importance that Thailand and Malaysia close the ranks as much as possible. Malaysian leaders have always appreciated the magnitude of the problems posed for the Thai Government and people as a result of Vietnam's aggression.

There is a long history of cooperation covering a very wide range of activities that touch and concern the welfare of both countries, and Datuk Musa Hitam has now suggested that the problem of low commodity prices should be tackled through ASEAN. Thailand has responded positively to the Malaysian deputy prime minister's proposals. Malaysia, as a major commodity producer and exporter, would like to consult its ASEAN partners on this with a view to appropriate action in international forums.

All in all, the Malaysian deputy prime minister's visit will surely strengthen the cordial ties that exist between Malaysia and Thailand.

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MALAYSIA

GOVERNMENT SEEKING RELEASE FROM BANK CASE

BK211311 Kuala Lumpur Domestic Service in English 1130 GMT 21 Jan 86

[Text] The attorney general has filed an application in the High Court in Johor Baharu to strike out the government as one of the defendants in an originating motion filed by a lawyer seeking the public release of the final report of the Bumiputra Malaysia Finance [BMF] committee of inquiry. The attorney general also seeks a stay of all further proceedings in respect of the originating motion filed by lawyer Abdul Razak Ahmad pending disposal of his application. The application to strike out the government as one of the defendants in the originating motion is supported by an affidavit by senior official counsel (T. Selvant Thiraratnam) on behalf of the government. Encik Abdul Razak, in filing the motion on the 11th of this month to have the report made public, named both Bank Bumiputra Malaysia Berhad [BMMB] and the government as defendants. The attorney general said the government should be struck out as a defendant in the motion on the grounds that the proceedings adopted by the lawyer by way of originating motion is wrong in law. The case will be heard tomorrow.

Meanwhile, three BMMB officers today signed affidavits in connection with the extradition of two former BMF executives, Lorrain Osman and Datuk Mohamed Hashim Shamsudin, from Britain to Hong Kong. The affidavits were signed before High Court Judge Datuk Harun Hashim in his chambers. Yesterday, four bank officers signed affidavits and marked documents before the same judge.

The extradition proceedings against Lorrain, former BMF chairman, and Datuk Hashim, former director, are expected to begin at the Bow Street Magistrate Court in London on the 27th of this month. The two, together with Carrian boss George Tan, his deputy Bentley Ho, and secretary Carrie Woo, face various charges in Hong Kong relating to the 2.5 billion [currency not specified] BMF loan scandal.

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MALAYSIA

GOVERNMENT 'TO FACE ALL CONSEQUENCES' OF REPORT'S RELEASE

BK221250 Kuala Lumpur Domestic Service in English 1130 GMT 22 Jan 86

[Text] The final report on the BMF [Bumiputera Malaysia Finance] loan scandal will be made public. It will be published in full together with a white paper at the next session of parliament beginning this 10th of March. The decision was made by the cabinet during a weekly meeting in Kuala Lumpur today. The cabinet spokesman, Datuk Rais Yatim, told a news conference that the cabinet has considered the views and opinions of the attorney general in arriving at the decision. The cabinet decided on the move in the interest of Malaysian public and in pursuance of the integrity of the government. The white paper will explain the position of the government, Bank Bumiputera, and others mentioned in the report. It will also explain parts of the report that are not clear.

Datuk Rais, who is the minister of information, said the cabinet had taken into consideration all legal and political implications and repercussions that will arise as a result of the report being made public. The government is willing to face all consequences arising out of the publication and will face them as and when they arise. Datuk Rais said that the government is not shirking its responsibilities. This means that all [words indistinct], innuendoes, and [word indistinct] that the government is unwilling to release the report are not true. The government has made the decision as the publication overrides other matters. It has not been coerced, pressured, or subjected to threat in coming to the decision. He said the government had nothing to hide and [?was sincere] in putting the picture on the scandal in its correct perspective.

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MALAYSIA

BRIEFS

MCA FUTURE--MCA [Malaysian Chinese Association] President Tan Koon Swan has stressed that the party will remain a communal party committed to a multi-racial government. He was clarifying a newspaper report yesterday claiming that the MCA leaders, who attended the first MCA-Gerakan Joint Council meeting last Wednesday night, had agreed that the new party arising from the proposed merger between MCA and Gerakan was to be multiracial. In a statement, Encik Tan Koon Swan said the question of merger between the two parties was discussed in the meeting. He pointed out the merger in whatever form or structure must be a matter to be decided by the party as a whole after all members have been given the opportunity to express their views. [Text]
[Kuala Lumpur Domestic Service in English 1130 GMT 18 Jan 86] /8309

CSO: 4200/576

NEW ZEALAND

WELLINGTON ENVOY ON ANTARCTIC TALKS, DEVELOPMENTS

Melbourne THE AGE in English 23 Dec 85 p 11

[Article by Phillip Melchior: "Antarctica the newest hot spot"]

[Text] For the coldest place on Earth, the Antarctic has recently become a hot property.

The frozen wastelands which cover 10 per cent of the Earth's land surface have been debated in the United Nations and attracted a rash of expeditions from those anxious to establish some sort of claim.

Environmentalists want it for a world park, the Third World wants it for its suspected treasures and the developed nations who carved up the vast southern continent between them want it to stay just the way it is.

"It's greed really," says Cath Wallace of the environmental umbrella group Antarctic and Southern Ocean Coalition (ASOC).

"It's the prospect that the Antarctic might be exploitable. While it was just a place for scientific experiments, no one cared."

The 1970s oil crises focused attention on the Antarctic as a potential world petrol pump for the 21st Century.

Still undefined reserves of oil, coal and other minerals around the continent's edges and under the ice-cap captured the imagination, swamping the cautious tone of original scientific reports which spoke of possibilities rather than actualities.

Critics say talk of sharing the Antarctic's bounty around the world ignores the inestimable difficulties of working in the coldest, windiest and driest environment on the globe--where it's night for half the year and day for the other half and where the constantly shifting ice-cap is on average 1.6 kilometres (one mile) thick.

The recent troubles of two expedition ships trapped in the pack ice which surrounds the continent for much of the year showed that just getting down there can be a problem.

Walt Selig, who oversees perhaps the biggest Antarctic research program for the US National Science Foundation, says the image of the Antarctic as a pot of gold is "misleading and untrue".

"There's nothing that's been worth a damn found so far," he said.

But the very concept of untapped minerals in a resource-hungry world has been enough to keep the debate going.

At its root is the Antarctic Treaty, the unique 36-year-old accord that has preserved the continent from international rivalry and produced perhaps the sole continuing example of genuine East-West unity.

While 32 nations have adopted the treaty, only 18--Argentina, Australia, Belgium, Brazil, Britain, Chile, China, France, West Germany, India, Japan, New Zealand, Norway, Poland, South Africa, the Soviet Union, the United States and Uruguay--make the decisions.

They are the consultative parties, nations which have established credentials by mounting year-round scientific research from permanent ice-stations.

The 18 who run the continent began lengthy talks to try to establish rules for any eventual mining or oil drilling. The same rules would also ensure they maintained control.

An objecting developing world, led by Malaysia, responded with a push to wrest that control from the treaty partners and vest it in the United Nations.

At the other extreme, ASOC and Greenpeace began joint world-wide campaigns to try to cut off any possibility of mineral exploitation before it was too late.

In a symbolic attempt to meet the treaty rules of establishing a permanent scientific presence on the ice to qualify for consultative status, Greenpeace is mounting a \$US1 million expedition to the Ross Sea region directly south of New Zealand.

The scheme, much criticised by New Zealand, Australia and the United States, will not, in fact, qualify Greenpeace. Even if it is successful, organisations don't count, only nations.

But expedition organiser Pete Wilkinson is undaunted: "What we're after is a recognition from the governments of the world of the fragility and the importance of the Antarctic. It's too important to mess around with."

The debate should reach a climax by 1987. Chris Beeby, the senior New Zealand diplomat who has chaired talks on including materials in the treaty and drafted a series of compromise proposals, told Reuter he believes three more meetings should see the minerals regime in place.

Mr Beeby sees no prospect of mining for at least 50 years and rejects the environmentalists' claim that once rules are in place, exploitation will automatically follow.

"Without rules there could be chaos. With minerals inside the treaty any mining or drilling will at least be done under strict control," he said.

The regime being negotiated by the treaty partners seems certain to include a right of veto by any consultative party, which Mr Beeby says is as tough a safeguard as is needed.

The environmentalists say the treaty nations cannot be trusted although they concede the existing system is preferable to throwing the continent over to the UN.

They accused the treaty nations of failing to enforce existing environmental rules, pointing to France's actions in building an airstrip at its Dumont d'Urville base which contravened ground rules Paris itself had signed and accepted.

"If the treaty countries really believed nothing is going to happen down there, they would not be going to all this trouble to put a regime in place," Ms Wallace retorts.

The argument between environmentalists and treaty partners is of little moment to the developing nations, who recently made it clear in the UN General Assembly that they will continue to press their claim for a say in what happens on the ice, despite the unified opposition of the treaty powers, including the United States and the Soviet Union.

Malaysia's Deputy Foreign Minister, Abdul Kadir Sheikh Fadzir, told the UN the Antarctic's resources were the common heritage of all mankind.

He sharply criticised the system by which "a limited group of states, on the basis of criteria which they determine, confer on themselves the exclusive right to make decisions affecting all activities in Antarctica, in ways unaccountable to the international community".

The treaty nations refused to take part in the UN vote, calling for the General Assembly to drop the issue from the agenda and regretting that the tradition of consensus on Antarctic matters had been broken.

It is the UN, more than the activities of Greenpeace and ASOC that the treaty nations appear to fear.

"The real question with the UN is whether the (Antarctic) system--a system that has demilitarised the protected a large part of the earth's surface--will survive or not," Mr Beeby said.

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CSO: 4200/571

NEW ZEALAND

TREASURY REPORT CITES 'THINK BIG' LOSSES

Sydney THE AUSTRALIAN in English 27 Dec 85 p 11

[Text] New Zealand's so-called "think big" energy projects, initiated by the Muldoon government five years ago, will lose more than \$US600 million (\$880 million) for the country during the next decade, according to a Treasury report just published.

The controversial risk-venture program of energy investments was originally supported by the Treasury in a series of analyses predicting earnings of \$US495 million.

The projects were an attempt by the Muldoon government to provide growth, earn foreign currency and gain greater energy self-sufficiency for the New Zealand economy.

But the Treasury's latest report says only one of the think-big projects will ever provide the taxpayer with a return.

The Treasury Secretary, Mr Bernie Galvin, said original reports of the cost benefits from the projects were particularly optimistic.

The report says of the major projects--all originally supported by the Treasury, the Prime Minister's Department and the Department of Trade and Industry.

The country's first ammonia-urea fertiliser plant was to have broken even when approved, but now is expected to lose \$US20 million during the decade;

The methanol project will remain the only profit-maker, but will make only \$US7 million;

The New Zealand steel expansion project was expected to lose \$US9 million, but will now chalk up a \$US240 million loss;

The Marsden Point refinery expansion, projected to earn \$US350 million, will now lose \$US160 million.

However, the report says that given the amount already committed to the projects, it appears economic to continue with their construction.

It says the risk from the projects had become clear as soon as the private sector refused to undertake them without the guarantee of government underwriting of their return.

NEW ZEALAND

ISLAND AFFAIRS MINISTER ON AUSTRALIAN WARNING TO LIBYA

HK230252 Wellington THE EVENING POST in English 6 Jan 86 p 5

[Text] Auckland, today--An Australian warning to Libya to keep its nose out of the Pacific would almost certainly have New Zealand support, says the minister of Pacific island affairs, Mr Prebble.

Australian Foreign Minister Bill Hayden sent a message to Libyan leader Colonel Al-Qadhafi telling him not to interfere in New Caledonia.

Mr Hayden's warning followed a reported invitation from Libya for Kanak independence fighters to visit Libya to discuss the situation in New Caledonia.

Mr Prebble said the New Zealand Government certainly did not believe Libya should be involving itself in the Pacific.

He said New Zealand had no formal diplomatic links with Libya, but he was sure the government supported the Australian move.

In 1984, a group of Kanaks went to Libya, apparently to be trained as policemen for a new independent land of "Kanaky."

The Kanaks, however, complained they had spent the whole time locked in a compound, and had had virtually no training.

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CSO: 4200/582

NEW ZEALAND

ROWLING ON PRIOR BAN ON NUCLEAR-POWERED SHIPS

HK230358 Wellington THE EVENING POST in English 10 Jan 86 p 5

[By political reporter Tim Grafton]

[Text] The Rowling government used a national government's ban on nuclear powered vessels to determine what ships might have been nuclear armed, former Prime Minister Sir Wallace Rowling said today.

Sir Wallace, speaking to the POST from Washington, was reacting to a report by the External Intelligence Bureau [EIB], given to the present government last November. That report said 9 of the 10 United States warships that visited New Zealand during the past Labour Government were nuclear capable.

That assessment seemed to run counter to claims that a ban similar to the current one was operated between 1972 and 1975. And during that period, Sir Wallace said there were no significant changes made in New Zealand's trading relations with the United States, or any damage to ANZUS due to the ban on nuclear propulsion.

The ban on nuclear powered vessels was first introduced by the Holyoake National Government about 1969. The reason for the ban was the risk of an accident and the refusal by the United States at that time to provide any indemnity, Sir Wallace said.

Though that situation has since changed, it still existed when Labour came to power in 1972. The ban was maintained by the Kirk and Rowling governments and removed under the Muldoon government in 1976.

Sir Wallace said his government used a "rough rule of thumb" to determine whether a vessel was likely to be nuclear armed or not. If it was nuclear propelled and given the fact the visiting vessels were destroyers or frigates, then that degree of sophistication meant they could be nuclear armed.

Rightly or wrongly, that was the presumption made at that particular time, Sir Wallace said.

Sir Wallace admitted that a ban on nuclear armed vessels would be preferable to one on nuclear propelled ships.

"We dealt with the thing we could deal with--nuclear propulsion...we had no power to make a determination on the armament question," Sir Wallace said.

Sir Wallace is regarded as one of the architects of the present government's anti-nuclear policy. That policy's ban on nuclear capable ships could sit with the fact that nine nuclear capable ships visited New Zealand under the former Labour Government, Sir Wallace explained.

"I fail to see what the circumstances in 1975 have got to do with 1986 with a new government and a different policy and a different electorate result," he said.

A spokesman from the prime minister Mr Lange's office said the prime minister would not be making any comment on the EIB's report.

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CSO: 4200/582

NEW ZEALAND

LANGE SPEAKS ON ECONOMIC PROSPECTS FOR 1986-87

HK230344 Auckland THE NEW ZEALAND HERALD in English 14 Jan 86 p 3

[By staff reporter]

[Text] Whakatane--The prime minister, Mr Lange, yesterday sketched a gloomy year for New Zealand, predicting a jobs crunch and a broad economic contraction.

Mr Lange said key economic indicators--job levels, the balance of payments, private investment and cover for retirement inflation--would worsen in 1986 before they got better.

Farmers would face more hard times as structural changes forced them to produce for the market, not for subsidies. This would hit provincial towns.

But he also forecast, as a result of government politics, an upturn in 1987 with a fall in interest and mortgage rates.

"What can we expect in 1987 is that lower interest rates, a less volatile financial environment, clearer signals on investment opportunities and a generally more open economy will ease the adjustment to a course of lower inflation and higher growth," he said.

And, in his first public speech of 1986, Mr Lange also played devil's advocate by raising questions about the government's role in industrial relations and asking whether it should be involved at all.

Delivering his New Year address to the Whakatane West Rotary Club, Mr Lange defended Labour's economic strategy and pledged that despite fierce lobbying from sector groups its policies would remain in place. Government strategy was working and would not be compromised.

The prime minister's pessimistic and downbeat 44-minute speech reinforced the "hard landing" economic outlook first taken up late last year by the minister of finance, Mr Douglas.

Mr Lange identified the health system and race relations as two other critical areas in 1986.

Discussing the [word indistinct] economic contradiction, Mr Lange said: "Now the signs of the economic slowdown are clear, and they will worsen in 1986 before they improve. I emphasize that this slowdown is expected, necessary and temporary. If we are to achieve stronger and sustainable economic growth then a period of retrenchment and regrouping is unavoidable."

He added: "It is impossible to be adamant about the economy in 1986."

Mr Lange said private consumption and investment would fall with a likely shrinkage in home building. Inflation would gradually decline, economic growth would slow and imports fall with the prospect of an improved balance of payments by the end of the year.

"The economy as a whole is likely to contract slightly in the year to March 1987," he said. "That contraction will be uneven. Some areas of the economy will actually continue to grow."

The 230-strong Whakatane audience listened passively as Mr Lange said provincial towns would see unemployment grow faster than other regions, because of the rural squeeze.

"The government's enduring difficulty lies in the certainty that massive intervention to maintain farm incomes or reduce regional unemployment will sink us back into the swamp of control and subsidy, which would, in the end, absolutely defeat the aspirations of all of us," he said.

Employment issues raised questions for employers and workers and these would require responses such as Project Wind Down, in Northland, where the entire community was planning for the region's future after the Marsden Pt project ended.

Mr Lange said the government, like the previous Labour Administrations, was committed to full employment.

"We do not want an economy where the benefits of economic growth for the many are built on the misery of a few."

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CSO: 4200/582

NEW ZEALAND

EDITORIAL VIEWS LANGE ECONOMIC ASSESSMENT

HK200247 Auckland THE NEW ZEALAND HERALD in English 15 Jan 86 p 6

[Editorial: "Black Outlook for 1986"]

[Text] The spell of euphoria in which New Zealanders indulge themselves after Christmas is broken, and rightly so, by the Prime Minister, Mr Lange. The country's problem remains as real as ever, and it is time to get minds back into gear on the possible course of 1986.

So unpredictable are economic events that it takes a brave man these days to peer into the economy that veils the scene for 12 or even 6 months ahead. Mr Lange, however, addresses himself valiantly to the task. And he certainly wears no rose-coloured glasses in his survey.

The story he tells is one of rising unemployment, falling farms incomes, a deteriorating balance of payments, a setback to the slowing of inflation, a fall in private consumption, reduced investment, slowed export growth, and a contraction in the economy as a whole in the year to March 1987.

The general tone is scarcely balanced by the few cheerful signs he detects: inflation gradually declining, relief for the balance of payments through reduced imports, export growth "positive" (though slower), and gradually declining interest rates.

Sounding strangely like his predecessor, who also promised jam tomorrow but not jam today, Mr Lange asserts that the economic slowdown is temporary. "If we are to achieve stronger and sustainable economic growth," he says, "then a period of retrenchment and regrouping is unavoidable."

It seems a fair point. The strongest argument in the government armoury is that the policies of many years have taken New Zealand to economic decline and that a radically different course is required. A change of direction, it is argued, will take time to reverse years of decline.

But as time passes any government takes responsibility for what happens, and blaming its predecessor sounds increasingly hollow. Mr Lange repeats his disappointment about the effects of high wage increases on unemployment and inflation, but it was high government that presided over the wage round.

Looking to 1987, Mr Lange ventures to predict an economic improvement, with a fall in interest and mortgage rates. He may need such a success. The far leftists of the party have had the Anzus bone thrown to them and are keeping uncommonly quiet about Rogernomics [after Roger Douglas, finance minister] but their baying is bound to be heard if there is no economic lift before the election.

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CSO: 4200/582

NEW ZEALAND

LANGE, NEW U.S. ENVOY DISCUSS RELATIONS

HK230308 Auckland THE NEW ZEALAND HERALD in English 16 Jan 86 p 2

[By Wellington staff]

[Text] An American request for New Zealand to support sanctions against Libya will be on the agenda for the first cabinet meeting of the year on Tuesday, the prime minister, Mr Lange, has told the new American ambassador to New Zealand, Mr Paul Cleveland.

However, Mr Lange gave no indication of his own attitude to President Reagan's request after a 55-minute meeting with Mr Cleveland in his Beehive office yesterday.

Mr Lange said he conveyed to Mr Cleveland the government's abhorrence of terrorism, particularly when it was state-backed.

President Reagan's call for New Zealand to join "a broad-based international response to Libya's support of international terrorism" is seen to have posed a dilemma for the government, given Libya's close relationship with New Zealand's fifth largest export market, Iran.

Mr Lange described his first meeting with Mr Cleveland as an informal session which touched only in general terms on the Anzus issue.

"We talked generally about aspects of the New Zealand-United States relationship without going specifically into Anzus in detail," he said.

Mr Lange said there had been a good exchange of views at the meeting--an assessment clearly shared by Mr Cleveland.

"I would like to underline it was a delightful meeting for me," he said. "I was delighted to meet your prime minister. It was very pleasant."

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CSO: 4200/582

NEW ZEALAND

GROUPS OBJECT TO SOLARZ VISIT TO RESEARCH CENTER

HK230318 Wellington THE EVENING POST in English 16 Jan 86 p 3

[By diplomatic reporter Karen Brown]

[Text] Wellington peace groups say a planned visit by United States Congressman Stephen Solarz to the Heylen Research Centre could be an attempt to influence public opinion.

Members of the peace groups gathered outside the Heylen Research Centre in Wellington this morning to protest against the private visit which, according to a U.S. Embassy spokesman, is to take place tomorrow.

The peace groups also protested at parliament late this morning against what they described as Mr Solarz' double standards on the nuclear issue.

A spokesman for the peace groups, Nicky Hager, told the POST the groups believed Heylen was not an appropriate place for a visiting overseas official to be going in a foreign country.

"On the most generous interpretation, this meeting appears to be part of an attempt to influence or manipulate New Zealand public opinion," Mr Hager said.

Mr Hager said that Mr Solarz could write to Heylen if he wanted to find out about polling procedures.

"I'm saying what possible legitimate business could he have that he couldn't have been done by letter?

"The stability of the anti-nuclear policy comes from the fact that in poll after poll it can be seen that the New Zealand public--three-quarters of the public--want the antinuclear policy.

"If someone is trying, as the Americans have blatantly said they want to, to go over the heads of the politicians to affect that public opinion, then one of the places they will go in a fact-finding mission to prepare for that will be the public opinion pollsters.

"We're not saying he is going there for dirty business, we're saying what possible legitimate business does he have there?"

Asked to respond, the managing director of Heylen New Zealand, Emanuel Kalafatelis, said naturally Mr Solarz could obtain the information he required from consulting published material. However, he could learn more on a face-to-face basis.

Mr Kalafatelis rejected the suggestion Mr Solarz could influence the public through Heylen.

"There is no way that by coming to talk to us and having discussions with us that he can influence a matter we're investigating," he said.

The peace groups' claims illustrated they did not understand the position Heylen or market research companies were in, he added. Heylen would not be telling Mr Solarz anything the public had not been told ready, he said.

The coalition of peace groups also says it is "rather hypocritical for Mr Solarz to come here and make threatening noises about New Zealand's nuclear ship ban, when at home he attempted to have the U.S. Navy change its treasured policy" for his constituents in New York.

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CSO: 4200/582

NEW ZEALAND

BRIEFS

PEACE GROUP PROTESTS U.S. SUB VISIT--A New Zealand peace group, the Campaign for Nuclear Disarmament [CND] yesterday protested to Fiji's Prime Minister, Ratu Sir Kamisese Mara, over the visit to Suva of a nuclear-powered American submarine. A spokesman for CND, Ms Maire Leadbeater, said Fiji had taken a backward step by allowing port entry to the submarine, USS Portsmouth, which she said was armed with nuclear missiles. Ms Leadbeater said that although the South Pacific had begun distancing itself from the nuclear arms race, it could not have a truly nuclear-free zone while some countries continued to allow and encourage nuclear warship visits. CND also sent a message of support to the Fiji Anti-Nuclear Group (FANG). [Text] [Wellington THE EVENING POST in English 10 Jan 86 p 52]/8309

GANDHI TO VISIT OCT 86--The prime minister of India, Mr Gandhi, will visit Australia and New Zealand later this year. The New Zealand prime minister, Mr Lange, announced today that Mr Gandhi would visit New Zealand in early October. In Canberra, a Department of Foreign Affairs spokesman confirmed that discussions were underway between Australia and India on a visit by Mr Gandhi, but said that no date had yet been finalized. The Indian leader last April postponed a visit to Australia which had been scheduled for February of this year but delayed because of pressing commitments in India. ASSOCIATED PRESS reports from Wellington that Mr Gandhi is expected to spend about a week in Australia before visiting New Zealand. [Text] [Melbourne Overseas Service in English 0830 GMT 22 Jan 86] /8309

CSO: 4200/582

PAPUA NEW GUINEA

WINGTI INTERVIEWED ON PROSPECTS, PLANS

Melbourne THE AGE in English 23 Dec 85 p 8

[Interview by Mark Baker]

[Text] Pias Wingti has been Prime Minister of Papua New Guinea for four weeks. It has been a month of the most intensive political activity since PNG achieved independence 10 years ago.

Mr Wingti, 34, the youngest man and the first Highlander to lead his country, has moved swiftly to implement his promises to shake up the bureaucracy, enforce higher ministerial standards and tackle PNG's formidable economic problems.

He has abolished three government departments and reshuffled the responsibilities of a dozen others, he has initiated a massive selloff of Air Niugini and other government-owned enterprises, and he is reconsidering the introduction of national television.

As part of a drive to end waste and mismanagement in the bureaucracy, he has sacked the defence force commander and the heads of 10 public service departments. He has given notice to the seven most senior PNG diplomats abroad and the chairmen and boards of several statutory authorities.

The new Government's ministers have had to accept a rigorous new code of personal conduct. They have been evicted from their hotel suites in Port Moresby, cautioned against profiteering in subletting their official residences and banned from all but essential foreign travel.

Mr Wingti has set high standards and a punishing workload for the leaders of his five-party coalition. He has been working 12-hour days and then taking home unfinished business. At weekends he has toured the provinces, selling his message of reform and listening to the problems of ordinary people.

Last week a senior staffer asked him what he would be doing over Christmas and was told that he would travel home to his village near Mount Hagen for a few days. When the staffer applauded the prospect of a few days off, the new Prime Minister chided: "I will be working at home. We have too much to do to take days off."

In government Paias Wingti has lived up to the idealism and drive that characterised his rapid rise to power this year. Whether his idealism is the naivete of a short-term leader or the vision of a durable new statesman remains to be seen.

Few people have been able to fault his performance so far and many, including political rivals, have already credited him with creating an atmosphere of unity and optimism that has not been seen in PNG for some years.

In March Mr Wingti quit as deputy to the former Prime Minister, Mr Somare, after bitter personality clashes, and led 15 other members of Somare's Pangu Party to take over control of the fragmented opposition ranks.

In just eight months he welded the various opposition parties into a unified and aggressive coalition, finally ousting Mr Somare by 58 votes to 51 in a parliamentary no-confidence motion on 21 November.

Mr Wingti's achievement of power was aided by a series of internal brawls and scandals that undermined the Somare Government, and by the worsening state of the PNG economy.

The International Monetary Fund warned a few months ago that PNG was facing "a budgetary crises of major dimensions." Export revenues have been stagnating, Australia has decided to cut its overall aid by three per cent a year during the next five years and foreign debt servicing is predicted to swallow more than a third of the PNG budget by 1988.

The survival of the new Government beyond the national elections due by mid-1987, and PNG's longterm development prospects, will depend primarily on how effective the Wingti Government is in tackling these economic problems.

Last week Mr Wingti broke from a 12-hour Cabinet meeting to discuss the way ahead over lunch with "The Age." It is the first detailed interview he has given since winning government.

Mark Baker: After the first few weeks in office, the economy clearly is your priority. How do you assess the extent of the problems?

Paias Wingti: We're pretty well in control of the situation, in the sense that we have identified the problem areas in the economy. Over the past 10 years too much has been spent on administration, too much has been spent building up infrastructure without really any return in terms of employment for our people and in generating new revenue for the country. The decisions we are making now are ones which will produce results in four or five years' time.

What are the key changes?

Our priorities are economic growth, the creation of jobs, maximum participation in the economy of our people and investment. We are looking at redirecting the total resources of our budget and manpower to achieving these objectives.

Revenue in the past 10 years has gone down, our borrowings have gone up, our expenditure has been funded with borrowed money. So now we have to create new revenue so that the country can stand on its own two feet, or at least be able to proudly say that 80 per cent of the money comes from internal revenue.

What are the main ways that you are going to do that?

We are looking at the agricultural sector. That's the most important priority the government has given. The minerals and energy, forestry, lands, trade and industry, tourism and aviation. Those are the key ministries where the government will be placing emphasis by reallocating resources, the ones that can generate revenue for the country.

Where will you divert these resources from?

From other service departments. Every ministry will have to justify its existence to the Government, and justify what they are doing. We don't need more money. The money is there. It's a matter of reallocating.

How important is the privatisation programme to all this?

It's going to be one of the most important things because it is going to increase efficiency, it will rationalise a lot of the activity of our public service. Key people like the secretary for finance and the secretary for minerals and energy have had to be businessmen and public servants. All the time they have had to attend meetings because of our (government) equity in forestry, in Air Niugini and so on. We want to stop that. The department heads and the ministers will now be able to concentrate on their important work in getting the country moving.

The plans to sell off government enterprises should raise a lot of revenue.

It will be a lot of revenue. The total investment by the government in the various enterprises and authorities is around Kina 200 million (\$A300 million). We will get back more than that through privatisation. But there are some things that we will not sell off in the interests of the state. Where you have a monopoly, like the Post and Telecommunication Commission, you could get a situation where private enterprise was dictating to the government. We will only sell in situations where there is competition.

What about the extent of foreign borrowing? There have been serious warnings from groups like the IMF about the level of PNG's foreign debt and the way the burden of debt-servicing is growing?

We are concerned about that and we are going to get a team of people, bankers and others, to come and work out a programme for our borrowing. Right now there is no sound planning. By some time next year we will get this team together to work out a longterm strategy.

Are you happy with the new Australian aid agreement which will cut the level of aid by three per cent a year over the next five years?

What can you do to encourage more foreign investment in PNG?

The rationalisation of the public service departments will make it easier. Previously potential investors had to spend a lot of time going around different departments, wasting time. We will make it more efficient and streamline the rules. One of the things we will look at will be selecting particular projects to attract foreign investors, maybe 21 projects that we can sell to investors as joint ventures or other forms of co-operation.

What about the general political situation. You have a six-month honeymoon during which the Opposition can't try to vote you out in Parliament. Do you expect a challenge from Mr Somare after that?

They could do that. But this government is doing the right things for the long-term future of PNG and the people are behind us. Provided we continue to be decisive we will stay in power and we will win the elections in 1987. The Opposition has got big problems now. But if I sit back and worry about what might happen, nothing will get moving. So I'm ignoring it. The people are the important thing. They are the ones to make the judgment on my performance and the performance of the Government.

What is the public reaction so far?

Every weekend I am going out to the provinces. This weekend I will go to Madang. Everywhere people are saying they are relieved and they feel something is happening in the country. They feel that at last we are giving the people some hope, that they know where we are going. There is confidence. Maybe I am biased, but it's for the people to make their own assessments.

A lot of people question whether you are going to be able to hold together your five-party coalition, with so many different and volatile personalities?

I put together the Opposition in eight months before taking power. They were difficult times and now we are in power.

Don't you think it's sometimes more difficult once in power? People have their own ideas about how they want to do things.

We've got to respect and value people, including their differences. There are many people with abilities in my ministry and I rely on them. I trust them and rely on them not to let me down.

Looking forward to the elections, what are your plans for building up your party, the People's Democratic Movement?

We've already got pretty good support. But whoever comes back in 1987 it won't be one party that forms the government. It will be a coalition and if this same team comes back it would be good for the country. We are all making a contribution.

We haven't really sat down and thought about that yet. My whole attitude has been to put the nation in order first.

What's your attitude to the general relationship with Australia?

Well, Papua New Guinea is an independent country and if you work on that basis then I see no problems.

Do you want to see a continuing special relationship with Australia as it has existed in the past or do you feel Australia should be regarded as just another neighbor?

Our future really is with the Asian region, as is the future of Australia and New Zealand. That's where the economic growth is, that's where the population is. Australia is starting to move in that direction now. The new government will be looking at becoming a member of Asean (the Association of the South-East Asian Nations).

Because of that, do you believe that the relationship with Australia is too close, that the economic dependence is too great?

OK, we receive a lot of aid from Australia, but when you look at the trade situation it's in their favor. They import not even 50 per cent of what we buy from Australia. It is too small when you look at the figures.

How can you change that?

I don't know. Maybe special consideration should be given to us in allowing our goods into Australia.

When will you visit Australia?

I have decided not to visit Australia at all for the next 18 months. I have decided not to visit any country. I will stay here until 1987 and I won't go out before the next elections. My priorities are at home. When I go out as Prime Minister I want it to be in a position of power. You don't want to go out when people can see through you, when your country's in a mess and there's no economic activity taking place, nothing exciting. You want to go out when you feel you are going with strength. We've got so many problems in this country that have to be cleaned up.

How do you see the future relationship with Indonesia?

It will be the same.

Are you concerned about Irian Jaya and the potential the border problems have to strain the relationship with Indonesia?

No, not really. Indonesia and PNG have a firm understanding about these things, a very firm understanding.

So you are not concerned about expanding your own party?

I am interested, but I've got to think about our family now. There are many parties and all the people leading them are good people that the country needs, people like Sir Julius Chan, Mr Iambakey Okuk, Mr Paul Torato, Mr Galeva Kwarara and more. The nation needs the talents of them all.

How would you describe your political philosophy?

I believe in equitable distribution of the wealth of this country. Papua New Guineans are people who have a tradition of sharing their resources with others. But we are living in a modern world where our economy is tied to international factors. We have to work out a mechanism in which all our people have a say and feel part of the country and feel they have a share in its future.

Do you think of that in terms of Melanesian socialism, the old philosophy of the Pangu Party?

The labels really don't matter. I believe in our people having a share so that they can proudly relate to their economic development, their industry, their airline and all the other things. All people must have a good life, a basic living standard and accommodation. I think that after 10 years we should be able to look back and see that we have achieved this for most of our people. From five per cent owning the resources, you should be able to increase that to 50 or 60 per cent. Given the great resources of this country it should be possible. This is a very wealthy country.

What are the influences on your thinking? Are there any people in this country or elsewhere who have particularly influenced you?

No so. I come from a traditional society where accumulation of wealth is never seen in terms of material advancement. You are great if you can give out to your people. That is the beauty of PNG society. It is not a matter of buying big houses, or cars or boats. In the village it is very simple, you are a big man if you have pigs and all these other things and you are able to share them.

The growing urban crime has been blamed on the drift to the cities, especially by young people seeking jobs. Are you worried about the crime problem?

That doesn't concern me too much. With the assistance of our economic policies the economy can absorb these people. This Government is not going to act in crisis. It's not going to over-react and waste limited resources on useless anti-crime exercises. The crime situation is worsening, it has attracted a lot of publicity. But as the economy improves and jobs are created, we can reduce crime.

How quickly can you achieve your goals?

I am asking people to give us five years and make judgment after that. They gave the previous government 10 years. It would be unfair of people to expect us to perform miracles in just two years."

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CSO: 4200/586

PHILIPPINES

MARCOS FREES DETAINED PRIEST

Manila BULLETIN TODAY in English 18 Dec 85 p 5

[Article by Milton Pascua]

[Text] President Marcos ordered yesterday the release of detainees priest Fr. Teodoro Remigio of Pidding, Ilocos Norte, who was arrested and detained on the strength of a preventive detention action (PDA) issued last March 29.

Speaking during the Kilusang Bagong Lipunan (KBL) rally here, the President directed Brig. Gen. Tomas Dumpit, to immediately release the priest and place him in the custody of Laoag Bishop Edmundo Abaya.

Remigia, 37, is being tried for rebellion at the sala of Judge Manual Victorio of the Regional Trial Court branch 19 in Pasuquin, Ilocos Norte.

Since his arrest eight months ago, the relationship between the clergy and the military has been strained, it was observed.

The military investigators claimed that Remigio took his oath as a member of the New People's Army (NPA) in 1979 and later became regional officer of the NPA education and propaganda movement.

The release order of Mr. Marcos did not include Remigio's younger sister Consolacion who is also detained on strength of a warrant of arrest, also for alleged rebellion.

The military also claimed that Remigio's sister, who was also known as "Vangie" and "Sison," posed as a social worker of the religious organization.

At the time of his arrest, Remigio was parish priest of Piddig and coordinator for Northern Luzon of the Task Force Detainees of the Philippines.

Dumpit said Remigio's release was ordered in the spirit of Christmas and reconciliation.

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CSO: 4200/578

PHILIPPINES

MARCOS CITES REAGAN VETO ON PROTECTIONIST BILL

Manila BULLETIN TODAY in English 20 Dec 85 pp 1, 14

[Text] President Marcos declared yesterday that President Ronald Reagan's veto of the Jenkins bill showed to be extremely sensitive to the plight of developing countries, in particular those belonging to the Association of Southeast Asian Nations (ASEAN) which depend on exports for economic survival.

The Jenkins bill, authored by Rep. Ed Jenkins, is a protectionist bill drastically curbing American imports of textiles, shoes, and copper.

The Philippine textile industry would have been badly affected if the bill were signed into law. Also affected would be the footwear industry.

The Reagan veto, Mr. Marcos said, shows that there still exists a deep reservoir of justice and fairness in the American body politic.

"I hope this well-known sense of justice and fairness extends to other areas of concern," he said.

Philippine garment exports in 1984 totaled \$432 million, a major portion of which went to the United States.

As the Jenkins bill was discussed in the US Congress, the Philippines joined countries such as Thailand, Indonesia, Hong Kong, Taiwan, and Pakistan is strongly opposing the measure.

Business and labor sectors in the Philippines staged rallies in front of the American embassy calling for the killing of the bill. They also filed formal protests with the US government.

President Reagan said in his veto message that the economic and human costs of "such a bill run far too high--costs in foreign retaliation against US exports, loss of American jobs, losses to American businesses, and damage of the world trading system."

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CSO: 4200/578

PHILIPPINES

TARLAC GOVERNOR REPORTS ALLEGED NPA DEATH THREATS

Quezon City ANG PAHAYAGANG MALAYA in English 20 Dec 85 p 9

[Article by Erlic Duduaco]

[Text] Tarlac--Governor Federico D. Peralta has received four death threats through the mail over the weekend warning him to go slow in his political sorties in remote baranggay, if he cares for his life.

The provincial executive told Malaya in an interview that the unsigned letters, claiming to be from the NPA, were all postmarked in Angeles City.

Peralta has intensified his political stumping tours in remote areas of the province after the Dec. 11 KBL convention in a bid to neutralize the opposition votes in the barrios.

"If they get me, so be it, but I am not a bit disturbed by the threats as it is a part of my duty as the head of the province to get in touch constantly with the people whom I govern," he said.

Peralta said that he hopes to saturate all the barrios in the province just before the scheduled Feb. 7 snap presidential poll.

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CSO: 5600/4341

PHILIPPINES

OFFICIALS URGE FORECLOSED LAND TO DISPLACED WORKERS

Manila BULLETIN TODAY in English 20 Dec 85 pp 1, 14

[Text] Labor Minister Blas F. Ople and Agrarian Reform Minister Conrado F. Estrella, after meeting with government bank officials, agreed yesterday to recommend to President Marcos the distribution of bank-foreclosed lands to dislocated workers.

The banks, including Philippine National Bank (PNB), Republic Planters Bank (RPB), Development Bank of the Philippines (DBP), and the Land Bank, have agreed to release these lands to make them productive on the basis of an amortizing ownership or a lease/purchase plan of 25 years.

Although initially designed to help dislocated sugar workers in Negros Occidental, the program, first announced by President Marcos last Labor Day, is now proposed to be made applicable nationwide.

The amount of P36 million has been appropriated out of the Economic Support Fund by the ESF management council headed by the First Lady.

It will be turned over to the Land Bank to guarantee production loans for the worker beneficiaries.

Ople said the PNB has agreed to release an initial 1,000 hectares for the program in Negros Occidental alone. The RPB identified 350 hectares for immediate use.

Valuation formulas will be prepared by the Ministry of Agrarian Reform (MAR) in collaboration with the banks and participating trade unions.

Ople said most of the foreclosed assets of government banks all over the country are idle and represent a huge cost in lost economic opportunities.

"This program will make these lands productive and at the same time create jobs and self-reliant workers and entrepreneurs," he said.

The minister said the program will deal only with foreclosed assets whose legal redemption period of one year has definitely expired. Existing law requires banks to dispose of their acquired assets within five years, he said.

The meeting agreed to submit to the President within one week a draft Letter of Instructions (LOI) which will embody the innovative policies and procedures for putting this concept into effect beginning with Western Visayas.

The meeting, held at the Army and Navy Club, was attended by Director Rafael Espiritu of the Bureau of Rural Works (BRW), Director A. Madrono of the agrarian reform ministry, Jaime Policarpio of RPB, Ed Luang, Diosdapo Aspa and Mrs. Sulpatiera of PNB, Director Ramon Casanova of the Bureau of Lands, and Commissioner Zoilo de la Cruz, representing the Trade Union Congress of the Philippines.

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CSO: 4200/578

PHILIPPINES

RIZAL PC UNITS IN CONFRONTATION OVER SQUATTERS

Quezon City ANG PAHAYAGANG MALAYA in English 20 Dec 85 p 9

[Article by Jun Lopez Staffmember: "Soldiers Ready to Battle Soldiers"]

[Text] Gunbattle between heavily-armed troopers might erupt any time now in two hilly baranggay here as a group of soldiers has come to the rescue of residents who have been harassed by another group of soldiers out to demolish their shanties.

The fearful situation developed as the residents of baranggay Mambungan and Mayamot told Malaya that the Pasig Properties Inc. (PPI), the land claimant, allegedly prepared 12 containers of gasoline to set fire on their houses.

The two groups of troopers nearly clashed Monday afternoon when members of the 225th PC Company under Capt. Reynaldo Macalalad backing up the demolition team sent by PPI trooped to the contested 15-hectare lot to tear down squatter shanties.

The other group of military men, led by Lt. Col. Edwin Cuenco of the Narcotics Command, said the residents summoned him from his office at Camp Crame seeking help last week.

They complained that the Constabulary soldiers often indiscriminately fired their armalites during night time after or during their drinking spree. They further accused soldiers of stealing their chickens.

Cuenco said he went to the area in his individual capacity and not as a member of the Narcom. His men came from various units of the Armed Forces of the Philippines. They are all armed with armalite rifles.

He said they will stay there until the case over the questioned lot is solved.

He, however, assured that they will not start the firing. "Kung magpapaputok sila, puputok din kami," he said.

Myrna Rivera, one of the leaders of Baranggay Mayamot, said they fear for what will happen - the bloody confrontation - "pero walang magagawa kung talagang dapat mangyari."

Last week, at least 9 women were hurt when the military-backed wrecking crews started to tear down their houses. Two persons, Fortunato Sallador, and William Pacheco, both of Sitio Ruhat Neighborhood Association (SIRUNA), were arrested and later charged with illegal possession of firearms. The two were released the next day after they were "asked" to sign the charges lodged against them.

Several residents complained they lost valuables from their houses. Former Army sergeant Pedro Maramag, who resides in Baranggay Mambungan, said he lost some P2,000 cash and several jewelry and valuables.

Last Monday, the residents said hooded members of the demolition team barged inside their houses and took their belongings. Their things, however, were left in the middle of Marcos Highway.

The land dispute has been dragging for over a year now. The PPI, led by lawyer Patero Pajares, vice president and counsel Eduardo Flores, are claiming ownership of the land. The area was planned to be converted into an executive village.

The residents, however, said they could not be ejected from the area since it is "disposable and alienable" based on the records of Bureau of Mines. They settled in the area in early 1970 when it was forested.

The residents presented to the demolition team and the military and police a restraining order from the Antipolo Regional Trial Court dated Nov. 7, but the demolition ignored it.

At least 44 houses were already levelled to the ground during the past demolition operations, but the affected families stayed and rebuilt their houses.

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CSO: 4200/573

PHILIPPINES

LEYTE FARMERS REQUEST HUMAN RIGHTS INVESTIGATION

Quezon City ANG PAHAYAGANG MALAYA 20 Dec 85 p 9

[Article by Desiree Carlos: "Farm Folk Restive in Romualdez Country"]

[Text] "Sa among pag-puyo sa bukid, usa lamag ang among gikahadlokan: mao ang bala. Kon mobiya kami sa among umahan ug sa among pinug-uman pinagi sa pa-abahlin sa ibang lugar, dako ang among sagubangan: mao ang pagkaon sa tulo kaadlaw. (In the mountains, we only have one enemy: the bullet. If we leave our farms and houses and go to others places, we will have three enemies: our three meals a day.)"

Thus spoke Amang Cero (not his real name) of baranggay Mahaplag, Southern Leyte before a fact finding mission (FFM) of the Human Rights Investigation headed by former senators Lorenzo Tanada and Ambrosio Padilla which went to Leyte last Nov. 13-16 after request letters from residents flooded the Task Force Detainees of the Philippines (TFDP) office in Tacloban City.

Amang Cero's words clearly illustrate the situation of farmers, their wives and children in "Imelda Country": Caught between two opposing forces, the military and the New People's Army (NPA), they are torn between two undesirable choices--death through starvation or the bullet.

The mission, composed of 50 concerned individuals, were divided into three groups to investigate reported human rights violations in three areas: North Central (NC); South West (SW); and the Pacific area.

Interviews with a total of 105 persons (52 from NC; 13 from Pacific; and 40 from SW) revealed at least 230 cases of human rights violations.

Of these cases, 78 were arbitrary arrests and detention; 25 threats and harassments; four massacres; 11 tortures; six attempted salvagings; 11 salvagings; one search; one rape; 32 looting incidents; 21 persons still detained; residents from at least 11 barrios now live in fear for their lives and safety; three animals were killed; and five shooting incidents reported.

In almost all cases, the accusing finger was pointed at the military and para-military forces. Such abuses are usually committed in remote areas where the military conduct counterinsurgency operations, the FFM said.

Only a small percentage of the cases have been solved, attended to or reported for various reasons: ignorance of laws and rights; lack of access to transportation and communication facilities; fear of reprisal; and economic difficulty.

It is interesting to note that the Task-Force Detainees of the Philippines-Tacloban City was able to cull reported cases of abuses totalling 220 for the period Jan-Oct. 1985, which is 10 cases short of the FFM's statistics. Of this number, 110 are arrests; 85 persons detained; 16 disappearances; four persons died in massacre incidents; three persons salvaged.

TFDP-Tacloban and the FFM both attributed the apparent difficulty in documenting cases of abuses to various factors: economic condition of complainant; fear of reprisal; the farmers do not know where to report the abuses or how to file a complaint in court and pursue it; residents go to mayors but are often told to return or are referred to lower local government officials; mayors and baranggay officials themselves admit their helplessness in the face of the military's overwhelming power; and lack of access to transportation and communication facilities.

The victims are farmers, women and children who reside in far-flung areas. Most have not finished elementary schooling.

An atmosphere of extreme fear exist specifically in farming communities where the military conduct counterinsurgency operations. Already beset by economic problems, the lives of these farmers, women and children have become even more unbearable due to intensified militarization and mounting abuses committed by military and paramilitary forces and the fanatic group Filipinista, the FFM reported.

The lives of the poor Leyte residents have been unjustly disrupted, the FFM added, as the farmers either seldom go to the farms or decide not to for fear of being strafed. Residents also have to forego with the only inter-community social function--the barrio dance--because they are afraid to walk from one barrio to another for fear of meeting military men along the way. Some children have stopped going to school because of poverty, militarization and the fact that some teachers have migrated to other places already.

The Task Force Detainees of the Philippines (TFDP) disclosed that farmers are not only victims of landgrabbing by big landlords but by the government also. Hundreds of farmers and their families were dislocated, the TFDP said, to pave way for "development" projects.

Some of the projects cited were: the Leyte-Saba Basin Development Authority (LSBDA) with a total land area of 21,085 has; Imelda Resettlement Project (16,000 has.); Leyte Mountain National Park (50,000); Visayan State College of Agriculture project called Rootcrop Center (900); and the Leyte Industrial Estate.

TFDP also disclosed that aside from landgrabbing, the peasants are besieged with other problems such as high land rent, the increasing cost of fertilizers and usury.

The sharing system in Leyte is 50-50 to 60-40, TFDP said, in favor of the landlord. Interest rates on loans, on the other hand, range from 20-30 per cent montly.

The workers also are burdened with economic problems, TFDP said. They have to contend with very low wages and the management's refusal to grant them their fringe benefits as provided by law.

TFDP said that the Ormoc Sugar Company and Hilongos Development Cooperation (OSCO-HIDECO) had the lowest wage rate at P18 as day. These companies are owned by the Revilla family.

At the copper smelter and refinery plant, which gives a wage of P27 a day, many workers remain as casuals.

At the Philippine Phosphate plant, where workers receive P40 daily, the personal background of employees is checked. One worker was reportedly terminated after the company discovered that his relative is allegedly a member of the underground movement.

In response to the problems of the Leytenos, the FFM passed a resolution to be submitted to President Marcos calling for an immediate dismantling of Civilian Home Defense Forces and fanatic groups in the area and a stop to the militarization of barrios.

The FFM also urged:

- o A speedy investigation into the reported cases of human rights violations.
- o Imposition of penalties and disciplinary actions against erring military men and CHDF elements;
- o Granting of amnesty to all political prisoners; and
- o Immediate and positive government action to lift the climate of fear among residents of various barrios.

Rez Salvatiera, Bagong Alyansang Makabayan chairman in Leyte, also urged all human rights groups and civic leaders and organizations to extend legal assistance to victims of military abuses and to expose human rights abuses.

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CSO: 4200/573

PHILIPPINES

SAMAR NPA HIT THREE AFP POSTS IN ONE DAY

Quezon City ANG PAHAYAGANG MALAYA in English 21 Dec 85 pp 1, 2

[[Text] Four soldiers and a New People's Army surrenderee were killed while two other dissidents were captured when marauding NPA bands attacked Sunday different military detachments in Western and Northern Samar.

Belated reports reaching the Regional Unified Command headquarters in Tacloban City identified the fatalities as Pfc. Nestor Baloco, Kerry Benito and privates Zaldy Valdez and Juanito Valencia, all of Charlies Company, 20th Infantry Battalion based at baranggay Cansolabao, Hinabangan, Western Samar.

Wounded were Private Angel Vargas and CHDF member Jovencio Drio.

In the first incident, an Army detachment in baranggay Cansolabao came under attack at about 3 p.m. from some 100 heavily armed NPAs, resulting in the death of the four military men.

The detachment was manned by 10 soldiers. But six of them were out on patrol.

The six troopers on patrol, however, caught up with the NPA band and a two-hour firefight ensued. It was not known if there were dissident casualties.

The dissidents set the army camp on fire, took five armalite rifles and ammunition before withdrawing.

A few hours later, another army detachment of the 19th IB in Mapanaf, Northern Samar also came under attack from the NPAs, resulting in the wounding of Vargas and militiaman Drio.

The NPAs, who were believed to have suffered casualties, left behind one carbine rifle.

In another incident, a three-member NPA Sparrow Unit riding on a motorized tricycle strafed a safehouse of the Military Intelligence Group along San Pablo St., Catbalogan, Samar, resulting in the death of Edgar Araza, an NPA surrenderee.

The last incident, also on the same day, showed that a platoon from Alpha Company of the 20th IB under Lt. Max Caro encountered an undetermined number of NPAs in the island town of Daram, Samar.

No casualties were reported, but the Army men captured two dissidents identified as Calixto Nono and Maricel Tawer. The troopers also seized a .22 cal. revolver and subversive documents from the two.

Meanwhile, 9 NPA members were killed Tuesday in two clashes with militiamen in Pakibato District, Davao City.

The military said the firefight erupted when elements of the 37th Infantry Battalion backed by Civilian Home Defense Forces spotted some 50 NPAs at the vicinity of Upper Bamban, Lumiad, Pakibato District, Davao City.

Four NPAs were killed in that encounter. The rest of the dissidents withdrew.

A team of soldiers forming a blocking position engaged the retreating dissidents in San Isidro, Lumiad, also in Pakibato, killing five of them. No casualty was reported on the government side.

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CSO: 4200/573

PHILIPPINES

MANILA, BAGUIO ACCOUNTS OF MILITARY AMBUSH COMPARED

Concerned Citizens' Protest Pollution

Baguio City THE GOLD ORE in English 21 Dec 85 p 5

[Letter to the Editor, name and address withheld at writer's request:
"Pollution As Cause For Insurgency"]

[Text] The Editor: The GOLD ORE:

This has relation to your published picture in The Gold Ore date November 30, 1985, "Chemical Free Water", resulting from the blasting of the three towers of the Batong Buhay Mines. Also in the same issue, "Governors in Cordillles Summit" at the Baguio Country Club.

A major incident happened Saturday, December 14, 1985, in which 9 soldiers were killed and 21 wounded, and the complete destruction of an army battle tank at Mammaga, Tinglayan, Kal-Apayao, when the patrol was ambushed by allegedly concerned citizens in protest against the continuing operation of the Batong Buhay mines to the detriment of thousands of farmers and the destruction of thousands of hectares of farmlands. The frequent commuting of Army Helicopters to and from the Bontoc Hospital last Saturday and Sunday flying over Baguio City ferrying the victims to Camp Crame hospital belie the tight blackout of the incident from media. Camp Dangwa might give you - in their own way - the details of the incident now.

It will be noted that two of our largest mines in the country, the Benguet Consolidated and the Philex Mines had shown interest wanting to rehabilitate the meribund BB Mines but they discontinued when they found out that there was no other way to discharge the destructive and poisonous mine tailings except down the Chico river where dwell thousands of people along its course and which is the irrigation source of thousands of hectares of farmlands.

Repeated petitions by farmers and the local Sangguniang against the continued operation of the BB Mines elicited no reply from the proper authorities. It was learned that funding of the operation of this mine was from the World Bank through our own government thru the manipulation of highly-placed officials especially from the ministry of defense including retired generals. In fact the general manager of the mine is a retired general. He has around him

several soldiers patrolling in the area sometimes escorting in armored cars the concentrate trucks delivering milled ores to the borders of the province bound for Aparri from where it is exported for abroad.

Millions of pesos had been spent by successive administrations opening up the virgin valley of Tabuk in Kalinga, the vast Mallig plains of Isabela and portions adjoining areas of Cagayan, building and maintaining roads, bridges, the Chico river system, and many other infrastructures. These had attracted the new thousands of people from central and northern Luzon now populating the area. President Marcos knows. It was he who caused to be built these improvements. But does he or does he not know what is going on now in this part of the country? Not only has the mine pollution killed the fish, shrimps, crabs, mullosks, etc., that in no small measure contributed to our livelihood. The pollution is slowly but surely choking our ricefields with the cement-like sediments coming from the mines. And that is not all. We farmers, our families, the whole population downstream from the BB Mines are also slowly but surely piling up in our system the carcinogens from the various poisons of the chemicals discharged from the mines into the Chico River that supplies our wells and springs.

The above complaints are of greater magnitude than the similar causes that led Fr. Balweg (may the good Lord preseve him) to flee to the mountains with our cousins, the dispossessed Tinguians of Abra, when the Cellophil in that province was established, largely by the late retired General and Assistant Minister of Defense.

Meantime, we can only pray for deliverance but our prayers cannot be forever. We, very much are hoping that other Fr. Balwegs will someday come to our succor. Amen.

P.S. Kindly keep my name to yourself, You wouldn't want me or my kins to be hunted by the Salvage Unit of the Army. Thanks. Tabuk, Kal-Apayo, December 16, 1985.

AFP Looting, Arson Alleged

Quezon City ANG PAHAYAGANG MALAYA in English 26 Dec 85 p 9

A truckload of soldiers from Task Force Cordillera belonging to the Alpha Company of the 1st GDQ Battalion was ambushed Dec. 14 in sitio Beliw-ang, Saclit, Sadanga near the boundary of Mountain Province and Kalinga-Apayao.

According to military sources, the soldiers were on their way to Bontoc en route to their Christmas break when they were ambushed. Nine soldiers were killed: Sgts. Jose Corpuz, Maximo Corpuz and Cecilio Lasmarina; Cols. Amrasael Bayaga and Perlito Blanza; Pfc. Rodolfo Octaviano and Amor Santos; and CICs Jovetino Agrarate and Jose Encarnacion.

Helicopters ferried the bodies to Tuguegarao from where they were sent home.

Among the the wounded who were taken to Bontoc General Hospital were Lt. Gabot, Roque Suguio, Jaime Cabilangan, Benito Duquilla, Gerardo Baswil, Herman Lanisigan, Armando Mariano, Nepiano Carbonell, Ramoncito Tiongeo, Anatalio Rio, Vargas Renerio, Martin de Pedro, Mario Salvador, Carlos Baltazar, Jr., Caniete Fidencio, Dionisio Patayan.

An armored personnel carrier trying to support the soldiers under attack fell down towards the Chico River, killing all its occupants after its driver was gunned down. Reinforcement was sent to the ambush site.

During the operations, three granaries were burned. Saclit's baranggay captain Valentin Tubao and council member Sixto Akiate together with Ernesto Maleg-eng reported to Bontoc Mayor Louis Claver that after military elements were ambushed, the reinforcement pursued the NPA up to the mountains.

Maleg-eng said that when soldiers passed sitio Liswakan, three granaries owned by him were burned. Villagers witnessed soldiers set fire on two granaries stored with palay including the third where earthen jars were kept.

In a complaint filed by Maletg-eng before the Sadanga INP last Dec. 17, the damage was estimated at P13,750. Travellers from Saclit also reported that after the support group arrived, people working in the fields were fired at, forcing them to leave their work.

Prior to the ambush, several incidents introducing military personnel were recorded in the Mountain Province in December alone.

On Dec. 6, soldiers belonging to the 1st Infantry Battalion camping above Saclit helped themselves to gantas of rice when they went to the village to buy supplies.

The next day, a team from the regional Special Action Company led by a Lt. Sevilla called for a dialog with villagers in Belwang, Sadaga.

While the meeting was being conducted, soldiers from the 1st GHQ Battalion raided the homes. Villagers noted some items lost during the operation.

On Dec. 8, a team of Philippine Constabulary soldiers led by Sgt. Romulo Danglose swooped down on a group of persons catching birds at Ampakaw Mountain in Sagada.

Bird catching or ikik is usually done at night during cold months with the use of nets and lamps to attract the birds.

The soldiers harassed the birdcatchers, searched their bags and even forcibly took some of the birds caught by the men. The soldiers then proceeded to baranggay Bugang in Sagada where they stayed for the night.

The next evening, they spent in the Ambasing Elementary School where they made noise with their songs. Later in the night, they moved to the Sagada

poblacion where they harassed a group of men in the compound of the Parish of St. Mary the Virgin. One of the men, Tom Killip, was held for three hours and subjected to threats and intimidation by Sgt. Danglose.

Meanwhile troops have been deployed in the border areas of Mt. Province and Kalinga. On Dec. 18, fighting was reported between government and guerilla forces in Tomiangan. Reinforcement was sent from Bontoc on the same day.

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CSO: 5200/573

PHILIPPINES

CONFIDENCE IN CENTRAL BANK GOVERNOR'S POLICY REPORTED

Quezon City ANG PAHAYAGANG MALAYA in English 21 Dec 85 p 6

["Business Views" by Jake Macasaet: "Jobo's policy paying off"]

[Text] There is a consensus in the private and government sectors that Central Bank Governor Jose B. Fernandez Jr.'s policy of fiscal and monetary restraint prevented a further deterioration of the economy. Had Governor Fernandez succumbed to political pressures, he could not have succeeded in mopping up excess liquidity. Inflation could not have been controlled to the present levels of 15-20 per cent.

The problem now, as acknowledged by Economic Planning Minister Vicente Valdepenas and Dr. Bernardo P. Villegas of the Center for Research and Communications, is how to keep the gains that Fernandez has made. This task is particularly difficult at this time because of the forthcoming snap election.

What Fernandez must resist - and will definitely resist, considering the independence of his posture - are domestic borrowings (securities) the national government normally engage into during elections. Domestic securities issued to the Central Bank will increase money supply and undo what Fernandez accomplished - the mopping up of excess liquidity. There is already talk in government circles that the economy needs a little pump priming to create demand. While there might indeed be such a need, it should not be allowed in an election year.

Money placed directly in the hands of the consumers without passing the various stages of production will exert tremendous pressure on prices. This kind of money is traditionally available only in an election year. This is not the kind of pump priming that Dr. Bernadro P. Villegas wanted to economy to get.

In the mind of Dr. Villegas, the need for more money that borders on pump priming is justified by the very low capacity utilization of industry. He estimated that the industrial sector is operating only at around 30 per cent. One of the reasons for this is that the market does not have enough purchasing power to absorb industrial production.

Villegas could be dead wrong when he said that even if Mrs. Cory Aquino becomes president, the problems of the economy will remain as serious and she will not be able to do much. What Dr. Villegas conveniently forgot is that an Aquino victory could renew confidence in the stability of the economy. The present problems - and surly Dr. Villegas knows it - are worsened by lack of confidence. A Marcos victory is not likely to restore confidence.

One of the reasons why the country has not sank that deep is the so-called underground economy. Pushed to the wall, office employees sell anything during lunch break. Housewives help their husbands by setting up one or two sewing machines and subcontract jobs with the garment exporters. The biggest concentration of the underground economy is in Baclaran (Wednesdays only) and Divisoria.

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CSO: 4200/573

PHILIPPINES

JAPAN EXTENDS \$5 MILLION GRANT

Manila BULLETIN TODAY in English 22 Dec 85 p 17

[Text] Japan, through the Japan International Cooperation Agency (JICA), will extend a grant of 1,081 billion yen or \$5.4 million to the Philippines for the establishment of food and drug laboratories, the first of its kind in the country.

On behalf of their respective governments, Japanese Ambassador Kiyoshi Sumiya and Philippine Acting Foreign Minister Pacifico Castro signed the exchange of notes last Dec. 20 at the Ministry of Foreign Affairs Ceremonial Hall, Padre Faura, Manila.

The grant will fund the construction of the building of the food and drug laboratories and the supply of facility and equipment. This is to facilitate the testing, inspection, and evaluation of food, drugs, cosmetics, and medical devices in protecting the health of the Philippine public.

In short remarks following the signing ceremonies, Ambassador Sumiya pointed out that the project seeks to improve the daily life of the people. He expressed hope that the relations between the two peoples will be made even more amicable.

At the same time, he mentioned the fact that Philippine manufacturing industries have attained acceptable health standards. "In this respect," he said, "the grant will go a long way to help the Ministry of Health in performing its task of chemical testing for the quality control of marketed food and drugs."

With the establishment of the laboratories, he foresaw a long-term benefit for Philippine trade, particularly exports of food and drug products.

Ambassador Sumiya cited that in conjunction with the extension of grant to establish facilities for food and drug testing, technical cooperation of JICA will be extended for the effective use of the facilities and the transfer of technology.

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CSO: 4200/578

PHILIPPINES

BATAAN PC TROOPS HOLD RALLIES AGAINST NPA VIOLENCE

Manila BULLETIN TODAY in English 23 Dec 85 p 9

[Article by Elfren P. Molina]

[Text] Constabulary soldiers held rallies yesterday in Samal town to protest what they called the senseless and unjustified ambush-killing of a woman health worker and five Army men, including a major, in barangay Lalawigan, Samal, last Dec. 14 by armed men believed to be members of the New People's Army (NPA).

The soldiers led by Col. Jose S. Andaya, Bataan PC-INP commander, held the rallies in barangaya Lalawigan and Calaguiman and in Samal town.

They carried placecards urging the rebels or anti-government forces to stop killing non-cambatant troopers like those engaged in civic action projects and innocent civilians.

The protest rally was timed during the wake of Doris Villanueva, the woman victim in the ambush-killing. An employee of the Bataan provincial hospital for years, Villanueva was a native of Samal, Rose P. Mohammad, another hospital employee and wife of a Muslim Army captain, was wounded and is now recuperating in a hospital.

The Army fatalities were Major Emmanuel Jimenez, chief of the Civil Relations Service group based in Camp Olivas in Pampanga, and his men, S/Sgt. Romeo Ramos, Sgt. Virgilio Ruaru, Sgt. Reynaldo Lambino, and Cpl. Renato Beltran.

Military reports said that the Army men and the two women were invited to conduct a seminar on drug abuse in Lalwigan but on arrival, the group found the barangay deserted. Except for an old man, who offered them meal, no one was in the place.

Col. Lorenzo M. Mateo, commander of Task Force Samat, said that the ambush occurred at about 1:30 p.m. just after the soldiers and the two women health workers left the barangay to return to the military camp.

Mateo said that at least five persons were picked up shortly after the ambush for investigation. He said they were released later. He said the military is looking into reports that certain prominent persons in the province allegedly masterminded the ambush.

During the rallies, the soldiers listed in the placecards the atrocities and abuses allegedly committed by rebels.

The military decried the killing of PC Capt. Metrinio Fernandez and a woman identified as Fe Sario three days after the ambush of the five Army men. Military authorities attributed the killing of Fernandez to a member of the NPA sparrow unit.

Investigation disclosed that Fernandez and Sario were riding in a tricycle at about 10 p.m. last Dec. 17 when the gunman fired them behind.

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CSO: 4200/578

PHILIPPINES

FORMER MNLF REBELS BACK GENERAL VER

Manila BULLETIN TODAY in English 23 Dec 85 p 14

[Article by Roy Sinfuego]

[Text] Former hardcore rebels of the Moro National Liberation Front (MNLF) of Central Mindanao region (Region 12) hailed the recent acquittal of Armed Forces of the Philippines (AFP) chief of staff Gen. Fabian C. Ver by the Sandiganbayan in the Aquino-Galman murder case.

Regional Assemblyman Odin T. Abdula, former ranking political officer of the MNLF Kutawato Revolutionary Command (KRC) under the overall command of Amelil U. Malaguio, popularly known as Commander Ronnie who's now the chairman of the Region 12 autonomous government, said "justice has finally reigned after months of injustice committed against him and the other accused through trial by publicity."

Abdula, popularly known as Commander Arafat, said that he, together with regional assemblymen Malamama Macapeges and Linang Mandangan and several municipal mayors and civil leaders, have signed a manifesto supporting Gen. Ver and condemning what they charged as "trial by publicity of Gen. Ver."

Abdula said that from the start that Gen. Ver's name was linked and finally indicated by the Agrava Commission, "we knew that the charge was not only to tarnish the good name of Gen. Ver but to discredit the entire Armed Forces of the Philippines because of the desperate move of the opposition to destroy and malign the Marcos administration."

Abdula is the head of the more than 3,000 former MNLF returnees Organization hardcore rebels who are now working hand-in-hand with the government in all developmental programs in Region 12,, particularly in the provinces of Maguidanao, Sultan Kudarat and Cotabato.

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CSO: 4200/578

PHILIPPINES

EDITORIAL ANALYZES 'SURGE' IN CORN PRODUCTION

Manila BULLETIN TODAY in English 24 Dec 85 p 6

[Editorial: "Corn Production"]

[Text]

THE surge in corn production in the second half of the year suggests the success of the government's expanded corn production program. It also means that the farmers, if given the incentives, can supply the country with sufficient quantities of the cereal.

In the second half of the year, the incentives came in the form of production loans and the adoption of new production techniques. These incentives, plus the weak demand for sugar, increased production by as much as 66 percent in Western Visayas.

There is one problem to be resolved, and that is the shipping of the grain from Mindanao and the Visayas to Luzon, where most of

the feedgrains are consumed by the swine and poultry raisers. In August, it was reported that carriers preferred high-revenue items, such as pineapples and bananas, and gave low priority to corn. This contributed to the corn glut in the large corn-producing regions in the south.

Another problem, that posed by low-priced imports, was solved when the government stopped importation of yellow corn.

It would seem, then, that the problem of increasing production does not lie with the farmers. The problem has to do with marketing the produce.

Probably, the same problem will be encountered in the event the

government gives a push to cassava production. The wide open spaces in Mindanao may be suitable to the production of cassava. Although the country has been growing cassava for a long time, it has had to import cassava pellets to help sustain the hog and poultry industries, which should not be the case.

An agricultural country like this should be self-sufficient in corn, rice, and cassava because it has the climate, the manpower, and the adaptability to modern production techniques.

PHILIPPINES

MAYOR, EPISCOPAL CHURCH LEAD NORTHERN LUZON MARCH

Quezon City ANG PAHAYAGANG MALAYA in English 25 Dec 85 p 9

[Text] Mayor Luis Claver here led some 1,000 people in a rally to protest human rights violations in the province and surrounding areas. Delegations from Tinglayan, Kalinga; Tubo, Abra; and the various municipalities of Mt. Province attended.

Dec. 8 was Justice and Peace Sunday for all members of the Philippine Episcopal Church (PEC), which has one of the largest congregations in Bontoc.

PEC Prime Bishop Richard Abellon issued a pastoral letter which was among the statements read at the Bontoc rally.

Other statements included a petition from the people of baranggay Bayyo and Talubin here against the encroachment of the Kairuz and Heald lumber companies on their communal forests, and a petition from the people of Sadanga protesting atrocities perpetrated against them by the military.

The Sadanga petition concentrated on the activities of alleged RUC-1 civilian agent Recto Dalipog, alias Ngaya-an. Cited were Dalipog's killing of George Padawil Jr. in Sacasacan, Sadanga last June 7; his slaying of Joseph Pingkawet, a Sadanga migrant in Baguio City last Oct. 23; and his frustrated murder of Ambrosio Tailongen, another Sadanga migrant in Baguio City, last Nov. 10.

The people of Sadanga are demanding the immediate disarming and dismissal of Dalipog.

They further demanded that RUC-1 provide compensation to the aggrieved families of Padawil and Pingkawet.

The petitioners also requested that President Marcos order a complete pull-out of all 1st GHQ Battalion and Regional Special Action Company (RSAC) personnel from Sadanga municipality, and a halt to the hiring and arming of civilian agents "to kill their own tribes people."

The petitioners argued that the presence of the 1st GHQ Battation and the RSAC in their area was unnecessary, as the support of provincial PC and INP

personnel was enough to help the people maintain peace and order in their communities. The people requested the intervention of duly-elected civilian provincial officials in these matters.

The petition was signed by 615 citizens of Sadanga mainly from the baranggay of Bekigan, Belwang, Chemang, Sacasacan, Saclit, and Sadanga poblacion.

On Dec. 7, the day before the petition was presented at the Bontoc rally, 68 soldiers under the command of one Lt. Sevilla of the 1st GHQ Battalion conducted a raid on baranggay Belwang. The soldiers were reportedly searching for NPA operatives whom they allegedly encountered on Dec. 6 in the mountains surrounding Belwang.

The soldiers claimed that the NPA had taken refuge in the said baranggay. Belwang representatives to the Bontoc rally alleged that during the search, the soldiers looted several homes.

Meanwhile, in Besao municipality on Dec. 6, four farmers were arrested while hunting in the Cotcot-aso area above baranggay Agawa.

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CSO: 4200/573

PHILIPPINES

MALAYA PUBLISHES COUNTERPOINTS TO MUNRO THESIS

Students League Denies CPP Link

Quezon City ANG PAHAYAGANG MALAYA in English 25 Dec 85 pp 1,6

[Text] The League of Filipino Students has dismissed as "utterly baseless" the claim raised by foreign journalist Ross Munro that the national organization is a communist front organization.

In a press statement issued in reaction to a special report on the New People's Army by Munro, the LFS said it is "not in any way associated with the National Democratic Front or any of its constituent organizations like the Communist Party of the Philippines."

The LFS said the "simple reason" for this was "we have not yet opted for armed struggle as our primary or principal form of struggle" against the Marcos "dictatorship." It added, "LFS stands, at the moment, content with waging unarmed but militant mass struggles."

The nationwide organization which has been at the forefront of many protests against what it calls the "US-Marcos dictatorship" said the charges that it is communist are nothing new.

They are part of the tactics of the Marcos regime to discredit LFS, because; it said, of its "uncompromising nationalism and militant democratic struggles."

The LFS further said all its activities are done openly.

The Munro article was reprinted in the Malaya issue of Dec. 16, 1985.

The LFS, meanwhile, said it fully subscribes to the Algiers Universal Declaration of the Rights of Peoples, "and therefore recognizes the legitimacy of the armed struggle being waged or supported by some 6.2 million of our brother Filipinos."

Letter Demands 'Facts', NPA Rebuttal

Quezon City ANG PAHAYAGANG MALAYA in English 27 Dec 85 p 5

[Letter to the Editor, Signed by Dr. Kit Withers, Manila: "The other side Not as brutal as portrayed"]

[Text] I was disgusted that you chose to reprint the article of "veteran journalist Ross H. Munro" from the Asian Wall Street Journal, which calls the NPA "arguably the most brutal communist insurgency in the world today." Your very minimum responsibility is to demand some facts to back up this anti-communist scare and to print an NPA said of the story. However, I don't believe you have the guts to either question this 'outside expert' or to print anything from the NPA and I don't wholly blame you with the regime's media hit-squad picking off journalists and radio announcers who criticize too loudly or too closely.

These anti-communist journalists desperately search for evidence of NPA brutality while obedient to their masters, never write on the role of the vast US military aid in corrupting the regime in the first place, or the innocent Filipinos who are everyday tortured and killed with US bullets.

Let's not pretend that justice is possible here with Marcos regime holding parliament in one pocket and the courts in the other pocket, and slapping PDAs on anyone who steps too far out of line. The NPA sparrow unit reportedly aims to deliver the only justice available under this US-backed regime to those dogs who torture or kill the innocent or suspects without due process. I suggest you send your US journalist friends to Task Force Detainees of the Philippines who tries to document the 20,000 or so who've been detained without trial, the daily salvage and torture victims of the military which now amount to hundreds. Send them to Davao City where everybody has stories to tell of the "bloodspots" conducted by the men under a provincial commander known locally as "king of the salvagers" who reportedly said in a radio interview in Nov. 1984 "justice for me is a Smith and Wesson" (pistol). There, even the blindest of these anti-communist "journalists" can quickly learn that your headline "the new Khmer Rouge" belongs to the AFP hands down--no contest--not the NPA.

If you wish to retain credibility as part of the opposition press, how about inviting the NPA to reply to this "article"? --or would giving space to the main group actively fighting the evil of the US-Marcos regime jeopardizes your status as a legal opposition press.

DR. KIT WITHERS
1572 Leon Guinto St.
Ermita, Manila

(By all means the invitation is extended. We welcome their reply. But we also wish to disabuse your mind over the tag "opposition press." Please be informed that while Malaya is often referred to as an "opposition press" we are in truth an independent press, not necessarily and wholly biased

in favor of the Opposition, for even the Opposition deserves criticism. We stand for truth and fairness, and if we have been printing a lot of opposition articles, this was meant to balance the barrage of government propaganda and half-truths in so-called establishment papers. Credibility is not a monopoly of an opposition press. Only a truly independent press beholden to no one's interest deserves respect and credibility.

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CSO: 5600/4341

PHILIPPINES

MNLF'S MISUARI ANNOUNCES BOYCOTT FROM RIYADH, NOV. 85

Quezon City ANG PAHAYAGANG MALAYA in English 25 Dec 85 p 2

[Article by Gene Orejana]

[Text] The Moro National Liberation Front will boycott the Feb. 7 presidential and vice presidential elections "but would like to see the Opposition win so that the criminal regime of Marcos would be defeated," the newspaper Saudi Gazette quoted MNLF leader Nur Misuari as saying recently.

Misuari, exiled leader of the secessionist MNLF, issued the statement in a round-table discussion with heads and reporters of three newspapers in Riyadh, Saudi Arabia, namely Dar Alilm, Okaz and Saudi Gazette.

"We are not going to participate in a Filipino political affair because we are not part of the Philippines," Misuari told staff writer Peter Wilson in an article published Nov. 27.

Misuari also told the Gazette that there is no collaboration between the MNLF and the Opposition.

But there have been contacts, Misuari informed the Gazette, adding that the National Democratic Front has recognized the right of the Bangsa Moro people to self-determination and independence.

The newspaper also said that Misuari denied reports that there are links between the MNLF and the Communist New People's Army.

It also quoted Misuari as saying that he had no contact with Corazon Aquino, widow of opposition leader Benigno Aquino Jr., and one of the leading presidential candidates to challenge President Marcos in the snap poll.

"We have no ties with her, however, if there would be a free election, I have no doubt that she would win, and by a landslide," he said.

Misuari further said that the Muslim minority in the Philippines do not consider themselves Filipinos because of centuries-old cultural and religious differences.

"We were a separate nation before the Spaniards came. We had our own sultanate, our own customs, and Islam, which distinguishes us from Filipinos," the Gazette quoted Misuari.

Reacting to Misuari's statement, which were also delivered before the Organization of Islamic Conference, the Ministry of Foreign Affairs said, the MNLF "has once again stepped up their propaganda campaign against the Philippine government."

Philippine Ambassador to Saudi Arabia Mauyag Mohammad Tomano pointed out in a letter published in the Saudi Gazette that Misuari is "ignorant of the real conditions in the country, since he has been away from the Philippines for 20 years now."

Tomano added that he is not surprised by the MNLF's declaration to boycott the poll.

/12828

CSO: 4200/572

PHILIPPINES

LETTER WRITER ADMIRES NPA 'CONVICTION, SACRIFICES'

Quezon City ANG PAHAYAGANG MALAYA in English 26 Dec 85 p 5

[Letter to the Editor, signed by Rene Fernandez, Caloocan City: "Film lives up to 'disturbing' blurb"]

[Text] The blurb in the advertisement for the movie "Turuang Apoy" - "the most disturbing film of the year" - is most appropriate, in my opinion. The movie is indeed disturbing in that the filmmakers either have a shallow and naive perception of the communists or they are downright untruthful and malicious.

Just recently I read an article about real-life communists on Panay island. I couldn't help but admire these people for their deep conviction, their selfless devotion, their firm commitment to the poor. They are mostly bright young men and women who have chosen to shoulder sacrifices - to the point of risking their lives - to fight exploitation, injustice and tyranny in our country.

And reading that article, I was reminded of a classmate of mine back in high school, a consistent honor student who, even then, was an activist. He was arrested and tortured in the early years of martial law. He escaped, joined the Communist Party of the Philippines and the last I heard, he was in a unit of the New People's Army in the Cordillera mountains in Northern Luzon. I know this because he used to be a very close friend of mine and had, in fact, tried to get me to join him.

I feel prangs of guilt because while most of us are concerned only with our own dear lives, content to curse the dictatorship from time to time, there are others who care enough to fight for our nation which is mired in hunger, poverty and misery.

And how does "Turuang Apoy" depict the communists? They are presented as arsonists, sex perverts, rapists, prostitutes, blackmailers and sadistic killers!

For whatever artistic merit "Turuang Apoy" may have, it cannot obscure social realities. The squatters are reduced to being mere victims of arson by the "communists," and the movie evades the issues confronting the squatter masses.

In this connection, I don't think there is any need for the communists to create artificial situations just to undermine the present regime.

In the film, prostitutes are depicted as mere captives of a bullying homosexual called "Tita Red" who, while being projected as a "communist" and a pimp, is not engaged in philosophy and politics in any a manner; he is instead preoccupied with a call-boy slave of his. Prostitution is thus conveniently ascribed to the communists and not to the worsening social conditions in our present society.

The police is personified by Eddie Rodriguez, an underdog single-handedly battling the "communists" after they are supposed to have raped his wife and murdered her and their daughter. Uncorrupted and heroic, Rodriguez is not anything like the real-life policemen in, say, metro Manila, many of whom have developed extortion into a fine art, and who unquestioningly follow orders to lob tear gas and shoot at unarmed demonstrators.

About the only believable character in "Turuang Apoy" is Eddie Garica. He typifies the rich, the powerful, the elite in society. A sex-starved dirty old man, Don Facundo buys sex like a commodity from "Tita Red's" whorehouse. If truth were to be told, the prostitutes would be the children of farmers and workers who are impoverished precisely because of the Don Facundos in our country. But there was nothing of the sort in the film.

Inquiries made by me revealed that a Marcos crony was involved in making "Turuang Apoy." And the regime's Board of Censors (or whatever it calls itself today) was most permissive in allowing all that vulgar language, sex and violence in the film. Was it perhaps because these are ascribed to "communists"?

If "Turuang Apoy" is how the crony and the government regard the communists, instead of looking at them truthfully within a given social dimension, then it's no wonder that the communist-led revolution appears to be steadily advancing.

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CSO: 4200/573

PHILIPPINES

NEGROS NPA ACTIVITIES, EQUIPMENT DESCRIBED

Jeddah SAUDI GAZETTE in English 27 Nov 85 p 7

[Article by Lewis M. Simons: "NPA near 'counter offensive'"]

[Text] **M**URMURING into a Japanese-made radio transmitter as he led a column of heavily armed men through the whipping sugar cane, Chicken Hawk kept in sporadic contact with his headquarters.

It was 3:30 a.m. and pitch black in the cane field. But Chicken Hawk and the half-dozen men in his patrol were on their own turf. As though with no need to see, they glided silently along invisible dirt trails, slick from a lightly falling rain, across a rushing stream, at last reaching a tree-shrouded clearing and a darkened two-story wood hut.

This was a tactical encampment of the New People's Army, the guerrilla force of the outlawed Communist Party of the Philippines. From this innocuous centre, 18 or so men armed with U.S.-made M-16 rifles, M-3 submachine guns and Colt .45-calibre pistols regularly patrol the patch of Negros Occidental that they claim is under their control.

They dress in a hodgepodge of stolen, olive-drab army fatigues, jeans and college sweat shirts. They are never without their weapons. They are deadly serious.

From time to time, Chicken Hawk and his colleagues, who use names like *Rambo* and *Go-Go*, mass with members of similar NPA units from around the province to stage raids on government military units and strategic installations. Then they fade back to this base in the cane fields.

They also pay intermittent visits to sugar workers and their families. Like a roving government apparatus, they advise workers on how to win concessions from the planters who own the sugar estates, administer rough justice when the courts fail, extract taxes and teach the fundamentals of Marxism-Leninism.

The economy of the province of Negros Occidental, entirely dependent on sugar, is dying. The 439,000 sugar workers and their families are in desperate straits. Thousands of their children are in the extremes of malnutrition.

When they protest in the streets of their "sugar centrals," the mill towns, more often than not they're met with bullets fired by police or Civilian Home Defence Forces, hired by the most powerful planters.

In September, troops fired on a demonstration in the northern Negros town of Escalante, killing 27, wounding 38 and causing more than 100 to flee into the countryside—into the welcoming arms of the NPA.

If ever a land was ripe for a communist revolution, Negros Occidental is it.

After the sun rose weakly over the headquarters hut and the men breakfasted on baked sweet potatoes and thickly sweetened coffee prepared by wives of local sugar workers, five officers attached to the unit sat on the springy, split-bamboo floor and, with their .45s on a large-scale provincial map at their feet, spoke of their operations.

"We're now in the advanced stage of a strategic defensive and preparing to enter a strategic counter-offensive," said the most senior of the five. "This is the final stage before we achieve a stalemate with the government forces. We believe this can be done within five years. The social and economic conditions of Negros are so ripe that we can move very fast now."

The man doing the talking introduced himself as Carlos. It was not his real name, he explained, but it would serve for security purposes.

The members of the group were either from upper-middle class backgrounds with college educations who were drawn to communism out of frustrated concerns for the poor, or were themselves poor men who had been driven, quite literally, into the hills by landlords or the authorities. They were obsessive about the need for security, insisting that the location of the camp not be revealed and covering their faces when photographs were taken.

Carlos is the chief organiser of the National Democratic Front, the communist umbrella organisation for the region of the Visayas, a group of islands between Luzon to the north and Mindanao

to the south. He is 33, he said, a former college sociology lecturer who joined the communist movement in 1974 when he was a university student in Mindanao, the most rebellious of all the islands in the Philippines. Since then, he has led a nomadic existence, changing units and islands as the need for his abilities shifted.

Carlos explained that not all those in "the movement" at this stage are necessarily communists. "Right now, our revolution is at the nationalist level," he said.

Then there was Vince, 46, a former clergyman (he declined to say of what denomination) who joined the movement in 1971 and has been underground since 1979. Now representing the NDF in Negros, Vince said he was driven toward the party after his work with a Justice for Sugar Workers Committee led him to be harassed and manhandled by the authorities.

Roman, 37, came from what he termed a "Negros upper peasant family" whose land was seized by a leading confidant of President Ferdinand E. Marcos, Eduardo Cojuangco, "because my parents knew nothing about titles and deeds." With his family suddenly landless and impoverished, Roman said he was forced to quit high school.

"Soon—it was 1975—I was contacted by a cadre of the movement and I began to work with very poor peasants," he said.

"Today, I'm a responsible officer with the NPA in Negros."

Pedro said he had been a worker on a sugar estate until he was attracted to the revolutionary movement 10 years ago. Now 34, he said, he is convinced that "reform movements are inadequate. The only way to bring about change is through force of arms." He's been underground since 1978, concentrating his efforts on an illegal labour union known as the Revolutionary Movement of Farm Workers. "There are great limits to legal unions," he said. "We need an underground core to solidify the rightful demands of the workers."

The fifth guerrilla in the room, who gave his name as Puy, said nothing about himself.

The life they described was harsh: Never sure of betrayal by an angry villager; constantly on the alert against infiltration by army units; moving on demand from island to island; parted from their families for months or even years as a time.

But what the five leaders really wanted to talk about was the progress of the guerrilla war on their front. Although senior briefers at military headquarters in Manila dismissed the seriousness of the fighting in Negros Occidental, nothing spoke more eloquently of current communist gains than the fact that this NPA encampment was located less than eight kilometres from a major town and five kilometres from a central military headquarters.

In addition, the weapons carried by some of the men here were captured in a raid earlier this year. The raid, on the Visayas Maritime Academy outside the provincial capital, Bacolod, netted the communists 421 high-powered rifles, the largest number of weapons reportedly ever captured by the NPA in a single operation.

Another operation, against a copper mine at Sipalay, in the southern part of the province, produced two tonnes of explosives, carried off calmly by the guerrillas in confiscated trucks.

According to Roman, who helped plan the maritime academy raid, operations of this score are increasingly successful because the guerrillas enjoy the support of the local population.

"You can't carry off this type of operation without the trust of the people," he said. "We know we can depend on most people to withhold information from the police and the army."—(KNT)

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CSO: 4200/580

PHILIPPINES

MNLF'S NUR MISUARI DISCUSSES POLITICS, MORO GOALS

Jeddah SAUDI GAZETTE in English 27 Nov 85 p 7

[Report on a SAUDI GAZETTE 'round table' interview with MNLF leader Nur Misuari by Peter Wilson, in Jeddah, Nov 85: "Moro Liberation Front to boycott Philippine elections"]

[Text] The leader of the Moro National Liberation Front (MNLF) Nur Musaruai said that the organisation will not participate in the snap elections called by Filipino President Ferdinand Marcos.

"We are not going to participate in a Filipino political affair," Musurai explained. "We are not part of the Philippines. However, we would like to see the opposition win so that the criminal regime of Marcos would be defeated."

Musurai's remarks were made at a roundtable discussion attended by noted Saudi writer Aziz Dia, Saudi journalist, and Dar Alilm publisher Ahmed Mahmoud, Okaz Director General Iyad Madani, Saudi Gazette Editor-in-Chief Ridah Larry, Gazette staffers Saad Khairi, Muhammad Al-Jifri and Tariq Gazai, and Okaz reporter Futhy Saleh.

The MNLF leader told those assembled that the front has had several contacts with the Filipino opposition and found them more willing to consider the issue of the Bangsa Moro people who have been intermittently fighting for the independence since 1968.

"There is no collaboration between us and the opposition," Musurai said. "There have been contacts. The National Democratic Front (an umbrella group of opposition parties and organisations) has recognised the right of the Bangsa Moro people to self-determination and independence."

Musurai denied reports that there are links between his group and the New People's Army, an avowedly Marxist group fighting the Marcos government.

He added that he has not been in contact with Corazon Aquino, wife of slain Filipino opposition leader Benigno Aquino and one of the leading contenders to face Marcos in a poll.

"We have no ties with her," Musurai said. "However, if there would be a free election, I have no doubts that she would win in a landslide."

Musurai seemed to hedge when asked if the MNLF could come to terms with someone besides Marcos.

"Could you accept a federated state under someone other than Marcos?" Larry asked.

"That is difficult to say," Musurai replied. "I don't want to be associated with Marcos at all. And it's difficult to accept a federated state when some have recognised our rights to self-determination and independence."

Since hostilities began in the late 60s, the Muslim MNLF has waged a war of independence against the Christian majority. The Bangsa Moros form the majority of the inhabitants of the Filipino island of Mindanao in the south of the country. Estimates place their population at about 10 million.

It is also estimated that more than 100,000 people, mostly civilians, have since died in the fighting. Musurai charged that the Filipino Army and para-military forces have waged a campaign of destruction against the Bangsa Moro people, including the systematic razing of homes, mosques and property.

Hostilities ceased briefly in the late 70s when the two sides, through the mediation of the Organisation of Islamic Conference (OIC) Quadpartite Committee comprised of Saudi Arabia, Somalia Senegal and Libya, first agreed upon a ceasefire and then an accord to end the conflict.

The Tripoli Agreement, as the accord was called, allowed for the formation of a Bangsa Moro Autonomous Region, comprising Mindanao as well as Bahsan, the Palawan and Sulu archipelagoes.

The ceasefire broke down after the Marcos government unilaterally held a referendum on the accord, breaking the spirit of the agreement, Musurai noted. Hostilities soon resumed, he added.

"I still regret having accepted the Tripoli Agreement because of the pressure of my fellow Muslims," Musurai said. "We thought that the Muslim world would use its clout to make sure that the Manila regime would fulfil its side of the agreement. We were disappointed."

The agreement was declared null and void by the Marcos regime in March, 1980.

Since that time, the war has dragged on fitfully. Independent reports say that an impasse has been reached in the south as the Marcos government is increasingly being threatened by the NPA in the north.

A common theme to Musurai's arguments was that the Bangsa Moro people are only a part of the Philippines because of Spanish, American and Filipino colonialism.

"We were a separate nation before the Spaniards came, Musurai stated. "We had our own sultanates, our own customs and Islam which distinguished us from the Filipinos."

The troubles began when the Bangsa Moros were conquered by the Spanish and lumped together with the Filipinos.

"The Spaniards played us off against one another," Musurai said. "You've heard of the policy of divide and rule. That is what happened to us."

However, the MNLF leader said that such a policy was continued by both the Americans and Marcos regime. And the losers have inevitably been the Bangsa Moro people.

Responding to questions from Madani and Mahmoud about the viability of a Bangsa Moro state if it was to achieve independence, Musurai replied that his country is rich with deposits of gold and oil and rich farmland.

"But, I've been to your country," Dia countered. "I saw it was a very poor country where the people didn't live in houses and where they lived in primitive conditions."

"People have said that," Musurai answered. "People have said that we are poor and backwards. Maybe, they're right."

"But, we have greater resources and manpower than 2/3 of the members of the United Nations. And look at the Maldives Islands, one of the members of the OIC. If you fly to the capital, you can miss it because it's only one kilometre long and perhaps 800 metres wide," Musurai continued. "Yet, the Maldives are an independent country and a member of the OIC. We're only asking for the same."

He stated that the MNLF is waging a religious war, a fight aimed at preserving the Islamic heritage of the Bangsa Moro people.

"We were a nation from the start and we will be a nation in the future, insha'allah," Musurai said. "Sovereignty lies with the people."

He categorically denied reports that he has Marcist leanings or that his group receives aid from Communists or the Soviet Union.

"What has the Islamic world been giving you?" Madani asked.

Musurai said that his group receives mostly humanitarian aid (such as food and medical supplies) from the Islamic countries.

He declined to comment on reports that charge he is also receiving military assistance.

Musurai, who was in Jeddah to address the OIC, said that at least 95 percent of the MNLF's weapons come from arms seized from the Filipino Army.

Mahmoud questioned whether the Bangsa Moros couldn't achieve more by participating in the Filipino government and working for change within the system.

"Wouldn't independence only cause your state to be dependent on one super-power or the other?" Mahmoud asked.

Musurai disagreed, saying that a free Moro state would be economically viable in the long run.

Larry also asked, "If we accept the Moro right for self-determination in a Christian country, then Christian minorities in Muslim countries, like Egypt might use this for justification for their own struggles."

Musurai disagreed, explaining that the Muslim minority in the Philippines do not consider themselves Filipinos because of centuries old cultural and religious differences.

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CSO: 4200/580

PHILIPPINES

ARTICLE VIEWS AQUINO SILENCE ON NUCLEAR, LABOR ISSUES

Quezon City ANG PAHAYAGANG MALAYA in English 27 Dec 85 pp 1, 8

[Article by Ellen Tordesillas and Greg Refraccion: "Cory silent on nuke plant"]

[Text] Opposition candidates Corazon C. Aquino and Salvador H. Laurel started yesterday the second leg of their provincial campaign to end the 20-year Marcos regime before a crowd of more than 3,000 highly politicized Bataan residents who were expecting a categorical assurance that the controversial nuclear power plant will be dismantled when the Opposition wins in the Feb. 7 snap poll.

Aquino and Laurel, however, did not say anything about what they plan to do with the 620-megawatt power plant, which has caused the Marcos administration more than \$2 billion to build.

Nor did they say anything about the uplift of the workers' condition in the Bataan Export Processing Zones.

The Bataan nuclear plant and the plight of the workers in the BEPZ are the primary concern of the people of Bataan and the battlecry of the Welgang Bayan which paralyzed transport activities and business operation of the whole province for three days last June.

MPs Aquilino Pimentel, Alberto Romulo, and Neptali Gonzales criticized the controversial plant, the operation of which has been delayed due to the militant protest of anti-nuke advocates in the country.

Many in the audience, however, said what they wanted was an assurance from no less than Aquino.

Pimentel, who spoke after Aquino had delivered her speech, told the audience it is the stand of the PDP-Laban not to allow the nuclear plant to start unless its safe operation is assured.

He also said the plight of the workers in the BEPZ is a priority of the Opposition's program of government.

The Opposition's platform of government, which will contain ideas from both Unido, PDP-Laban and Lakas ng Bayan, will be formally presented by Aquino on Jan. 6 before the Bishops Businessmen's Conference.

Many in the audience who braved the afternoon heat to give Aquino and Laurel a warm welcome told Malaya they are fed up with Mr. Marcos.

Romy Robles, chairman of the Alyansa ng Magbubukid and Bayan member said like him, many have not yet decided whether or not to participate in the election. But he gave Aquino 80 per cent chance of winning the election in this historic province.

"Sanay na kami sa mga politiko," anti-nuke leader Amador Tancio said echoing the frustration of many people over traditional politicians.

"If Cory can put in writing that she will not allow the nuclear plant to operate she will have no problem with the 200,000 voters of Bataan." Robles said.

Aquino recounted the sufferings of her family during martial law when her husband was in prison and exhorted the people to help in toppling down Marcos.

She also asked the people to help safeguard their votes. A touching moment in the Balanga sortie was provided by 12-year-old Paulo Benigno Aquino Jr. who related his remembrances of his uncle Ninoy while in prison. Kris Aquino did a "tie a yellow ribbon" duet with Victor Laurel.

Residents interviewed by Malaya said the crowd that welcomed Aquino and Laurel is remarkable as the political opposition in the province is not yet organized. Bataan teems with insurgents.

Despite the short notice for the rally, residents from Hermosa, Orani, Abucay, Samal and Balanga lined up on the streets and tied yellow ribbons on trees and posts, to show their support for Aquino and Laurel.

Aquino and Laurel inducted opposition campaign coordinators led by businessman Ding Roman and anti-nuke lawyer Jaime Guerrero.

Other opposition leaders with the party were Francisco Rodrigo and Bren Guiao.

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CSO: 4200/572

SINGAPORE

ACTING PREMIER, NORWAY'S WILLOCH ADDRESS BANQUET

BK171451 Singapore Domestic Service in English 1300 GMT 17 Jan 86

[Text] The acting prime minister, Mr Goh Chok Tong, has expressed the hope that the visit of the Norwegian premier to this region will focus the attention of Norwegian entrepreneurs on the opportunities available here. He said not only is the Asia-Pacific a high-grade region, but Singapore, in particular, has a very liberal economic climate. Mr Goh was speaking at a state dinner in honor of the visiting Norwegian prime minister, Mr Karre Willoch. Mr Goh said he is glad to note that Norway is keen to expand its economic ties outside its traditional area of interests. Singapore, he said, welcomes further Norwegian investments and joint ventures with Singapore entrepreneurs and expansion of trade with Norway.

In reply, Mr Willoch said that Norway considers it important to be well acquainted with the political and economic situation in Singapore. The Norwegian community in Singapore is the largest in Asia. The Norwegian prime minister went on to say that his talks with Mr Goh had led to a better understanding of the problems and possibilities facing both countries.

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CSO: 4200/575

SINGAPORE

LEE KUAN YEW, DHANABALAN RETURN FROM BURMA, THAILAND

BK191410 Singapore Domestic Service in English 1300 GMT 19 Jan 86

[Text] The foreign minister, Mr Dhanabalan, says Singapore has agreed to a proposal from Thailand that an ASEAN summit should be held in view of the present economic situation in the world as well as in ASEAN. He said the summit would enable ASEAN leaders to discuss how member countries can cooperate in overcoming the problem faced in the economic downturn.

Mr Dhanabalan said this in an interview with the Singapore Broadcasting Corporation at Changi Airport on his return after accompanying the prime minister on a visit to Burma and Thailand. Mr Lee Kuan Yew and Mrs Lee also returned after a 3-day official visit to Burma.

On his way home, Mr Lee stopped over in Bangkok for talks with Thai leaders. Mr Dhanabalan pointed out senior officials from ASEAN countries would have to work out the issues to be discussed at the summit, the venue and date of which have yet to be fixed. The foreign minister, however, expects that the meeting will be held in about 12 months' time.

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CSO: 4200/575

THAILAND

ARMED SERVICES' DEPUTY COMMANDERS PROFILED

Bangkok DAILY NEWS in Thai 4 Nov 85 pp 5, 6

[Excerpts] It appears that there was one important position in the most recent nomination of Air Force commanders, namely that of Air Force deputy commander. As it developed, Air Chief Marshal Chamman Phantharayothin received that position in succeeding Air Chief Marshal Bandit Chotchanaphiban, who retired.

Air Chief Marshal Chamman Phantharayothin is a well known Air Force officer, but people do not see his face at social functions that much, because he rarely attends them. He was born on 5 October 1926 (he will retire in 1987, along with Air Chief Marshal Phraphan Thupatemee, 1 year before Air Chief Marshal Arun Phrompthee, Air Chief Marshal Soraseun Vanit and Air Chief Marshal Vira Thaikla). His father was Captain Thanat and his mother, Mrs Thong-u Phantharayothin. His wife is Pranee Nutkamheng, who works at the Ministry of Education. They have four children, two boys, and two girls, all of whom are in their twenties.

As a youngster, the latest deputy commander of the Air Force attended high school at Wat Phithaphimuk High School, Chakawat Road in 1931. Two years after that, he graduated from The Army College, Class 5, in which there were such well known Air Force officers as Air Chief Marshal Phraphan Thupatemee, Air Chief Marshal Thuanthong Yod-awut and Air Chief Marshal Phisut Lukthakhanee. After that, he continued his education at The Army College until he graduated as an acting platoon leader in 1947. He then attended navigator school and graduated from there in 1950. He continued his education in navigation instruction school until 1951.

After that, he received the rank of junior lieutenant, RN, [sic] then was promoted to lieutenant. He then went to study to be a flight instructor in England and also studied air warfare and Jet All Weather Refresher [as published] in England. After that, he went to navigators school and graduated with the rank of squadron leader in 1956. In 1957, he held the position of flight instructor. In 1959, he attended the Air Force Staff College. He received the rank of wing commander and held the position of chief of the Intelligence Division of the Air Force Intelligence Department. He studied advanced intelligence and antiterrorism at the Army Intelligence School and the U.S. Army Special Warfare School in 1962. He then became group captain 2 years later.

During 1969, he studied at the Air Force College, in Class 4, the same class as Group Capt Chom Kullawanit, Squadron Leader Rachai Phon-anan, Squadron Leader Prapha Vejpan and Squadron Leader Thaveep Boonnak. He then attended Air Force Artillery School, Class 22. He was commander of the Air Force Staff School, with the rank of air marshal. In 1982, he was assistant chief of staff of Air Force Services. In 1984, he was deputy chief-of-staff of the Air Force and then became the latest deputy commander-in-chief of the Air Force on 1 October.

He is a kind man, who rarely gets moody. He is private and does not mingle with others, but he is well known in Air Force circles because he is an everyday guy, an almost forgotten person, but now one whom nobody will forget.

There have been a lot of changes in Navy positions, but the deputy commander-in-chief has not changed; it is still Admiral Prasob Utnoon. Navy Deputy Commander-in-Chief Admiral Prasob Utnoon was born on 21 January 1930. He is a Buddhist. He attended a high school near his home. After that, he attended the Navy Academy in 1948 in the same class as Admiral Thada Ditbanchong. (He is commander of Naval Operations. It is speculated that he will become the Navy's commander-in-chief because all those with seniority, namely Admiral Nippon and Admiral Prasob, will retire before him.) Other classmates were Admiral Supha Khonseni, Admiral Vinit Photchanrot and Vice Admiral Vinai Chaipheub. After he graduated from the Naval Academy, he worked in various positions on all the royal battle ships. He also attended the Navy Staff School and the Navy Operations School. He also attended the National Defense School years ago and he has also gone to observe operations in the United States and Europe many times.

Admiral Prasob Utnoon has held many important positions in the Navy, and served several times when he was a rear admiral as acting commander-in-chief of the Navy when the chief had to go abroad. The first time was 15 years ago, before he became the chief of the Naval Transportation Department. Later, he was deputy chief-of-staff of the Naval Operations Division. After that he was commander of the Submarine Suppression Division in 1981. Then he was promoted to vice admiral and held the post of assistant chief-of-staff of the Naval Services and Logistics Department.

The next important position that he held was deputy chief-of-staff of Naval Operations in 1983 after Admiral Bandit Suvong. His most recent position is deputy commander of the Navy, which was approved by the King on 1 October 1984, with the rank of admiral.

He is a nice man and serious, but he does not often appear at various social functions. He is decisive and outspoken, a straight shooter with no double talk. He is always ready to listen to reason and come to an understanding. Although he looks severe, he actually is kind.

As for his family, his wife, Chitsamon, understands him. They have two grown children, one daughter and one son. He will work until 1987 and then retire.

Gen Chuthai Saengthavip was promoted from Army assistant chief-of-staff to Army deputy commander to replace Gen Thienchai Sirisamphan.

The new Army deputy commander, Lt Gen Chuthai Saengthavip was born in Phetburi on 8 January 1926. As a youngster, he attended Amnuaysin School in Bangkok. After he graduated from high school, he attended the Military Academy Preparatory School in its famous Class 5 with such classmates as Gen Som Katphan, Gen Chamnan Ninviset, Air Chief Marshal Prapha Vetjaphan, Air Chief Marshal Praphan Thupatemee, Air Chief Marshal Thuanthong Yod-awut, Air Chief Marshal Phisut Lukthakanee. He then attended Chulachomklao Royal Military Academy and graduated in 1949.

He also has taken continuing education in economics at Thammasart University and studied at the Army Staff School, Class 37, and the National Defense School, Class 22.

His first position in government service was as commander of an Antiaircraft Battalion flight and then he was promoted to commander of combat and training of an Antiaircraft Division company in 1950 and then to deputy commander of an Antiaircraft Division battalion. In 1959, he became a major. The following year, he was transferred to head the first section of the chief-of-staff of the 4th Brigade. He then transferred as section head for the Army's Adjutant General as a lieutenant colonel. He moved to the Policy and Planning Department of the Directorate of Joint Personnel of the Supreme Command. But then in 1964, he was transferred to his old station, namely, the Staff Section of the Antiaircraft Artillery Division, and the following year, he became head of the Army Artillery Center, where he stayed for 7 years until he transferred to head the Institute of Army Academies. In 1975, he was stationed at Army Headquarters and in 1979 was promoted to major general as an Army expert. He was assistant chief of Army Intelligence and Army deputy chief-of-staff, which is his latest post and was approved by the King on 1 October 1984. He was also promoted to lieutenant general and one year later in October 1985, he received the title of general as deputy Army commander-in-chief.

In addition, he also holds a special post (special government service), namely, in the King's Guard, in which he is a special officer of the 1st Artillery of the King's Guard and a senator. As confirmation of his ability in government service, he has received the Order of Vajira Mongkut and First Class [Knight Grand Cross] of the Order of the White Elephant. As for medals, he has received the Chakramala Medal and Chaiyasamornphum Maha-ahiaburapha Medal.

His private life: he is married to Sarasiri Saengthavip, who is the most recent president of the Army Wives Association. They have three children, two of whom are in the military service like their father. They are Capt Thaisiri Saengthavip and Lt Churisarn Sethvarangkoon (Saengthavip), who are assets to the Thai Army.

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THAILAND

PRINCE WARNS TROOPS ON ILLEGAL ACTIVITIES

Bangkok MATICHON in Thai 12 Nov 85 pp 1, 2

[Excerpt] At 10:00 am on 11 November, the Colonel Crown Prince went to preside over a military review of the First Infantry Royal Pages at its headquarters on Viphavidi Rangsit Road. General Athit Kamlang-ek, the supreme commander of the military and commander-in-chief of the Army, and other senior commanders were there to greet His Highness.

After the officers pledged their loyalty, the Crown Prince delivered the following speech: "The King has entrusted me to come in his place to this ceremony for honoring the First Infantry Royal Pages. I am very pleased to participate in this event once again. Your sacred pledge swearing your loyalty in front of honored guests is considered to be a solemn promise that you will forever be loyal to the King and to the country...."

The Colonel Crown Prince stated further that every soldier must seriously adhere to his discipline forever for his prestige and own advancement. The First Infantry Royal Pages Unit is an honored and historic one for performing its duty to the country. Those who have the opportunity to belong to this unit should be honored and proud.

We should protect this pride, remain well disciplined and perform our duty strictly, so that we are always prepared to encounter any event. Always remember that any negligent action, carelessness or thoughtless action will damage our duty. Thoughtless actions cause irresponsibility, which is very dangerous because it leads one astray and to do irresponsible things. This might lead to self destruction. Those thoughtless actions are dangerous to the institution of the military and also the country. Everyone should remember that he must keep his composure and perform his duty correctly for Thailand's security.

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THAILAND

ATHIT BACKGROUND ROLE IN GENERAL'S CORRUPTION CHARGE

Bangkok LAK THAI in Thai 5 Dec 85 pp 22-24

[Unattributed report: "Gen Chamnan Falsely Charged; Not Afraid of Athit"]

[Text] The Office of the Commission to Counter Corruption (OCCC) has concluded its investigation concerning the unusually large assets, including bank deposits, movable properties and real estate, of Gen Chamnan Ninlawiset, the former under secretary of defense and one of the most successful members of Army Preparatory School Class 5. A report stated that the OCCC examined witnesses and documents and questioned the former under secretary of defense and found that Gen Chamnan had assets of 100 million baht. But he was able to provide sources for only 40 million baht. As for the remaining 69,767,380.27 baht, the subcommittee officials who investigated his assets did not feel that he had adequately shown that the assets were derived from his salary, which was at the Step 42, field marshal level when he retired.

The results of the investigation conducted by the OCCC have now been sent to the Office of the Prime Minister and the Department of Public Prosecutions, which will decide whether to file suit in court. The Civil Division is responsible for filing suit to secure the return of public assets. It is thought that a suit will be filed by the end of the year.

Ai Mong [the Hooded Man] Sent a Request to the OCCC

This OCCC report has embarrassed the OCCC committee itself. Mr Praphat Uaichai, the committee chairman, and other committee members have declined to comment or give their views on this investigation. Instead, they have told people to go ask the Office of the Prime Minister or the Department of Public Prosecutions.

A news source in the Office of the Prime Minister told LAK THAI that the OCCC's assets investigation subcommittee sent a report to the Office of the Prime Minister on 28 September, just 2 days before Gen Chamnan retired. Gen Prem Tinsulanon, the prime minister, was informed of this before it was forwarded to the Ministry of Interior.

However, it seems that the OCCC was requested to conduct an investigation by a military officer, who was asked to do this by an important person in the army. This request was made at the beginning of the year, and Gen Chamnan knew about this. But the OCCC could not proceed with its investigation while he was serving as the under secretary of defense. It had to wait until he left this position.

As for who made this request, a news source close to Gen Chamnan said that it was an officer from the same class as Gen Chamnan. But they have been at odds for a long time now. One time, they even started shoving each other in front of other officers. For a long time now, this foe of Gen Chamnan has threatened to "get" him. Both men have expressed their dislike for each other both openly and in private, even in administering the army. Thus, it is thought that he asked the OCCC to investigate this in order to get even with Gen Chamnan as he said he would.

Why Is He so Wealthy?

Before Gen Chamnan was appointed under secretary of defense with the grade of field marshal, he was considered to be the second most successful member of APS Class 5. Only Lt Gen Som Khattaphan, who was serving as the director of the Information Office, Supreme Command Headquarters, had been promoted to lieutenant general before him. Lt Gen Chamnan was serving as the chief of the Office of the Army Controller, which is considered to be a very important position. Almost everyone who holds this position advances to higher positions in the army. The person who holds this position can reward or penalize fellow officers with respect to expenditures. Also, Gen Chamnan was the only member of APS Class 5 who was fully trusted by Gen Prem Tinsulanon.

After serving as the chief of the Office of the Army Controller, Gen Chamnan was promoted to full general and made assistant RTA CINC. It was thought that he had been appointed to that position to groom him for the position of RTA CINC. But that plan was shelved in the wake of the 1-3 April 1981 rebellion. As a result of this rebellion, the man with the "three-step plan," that is, Maj Gen Athit Kamlangek, the deputy commander of the 2d Army Region, was appointed assistant RTA CINC and RTA CINC in the space of a single year. Gen Chamnan had to move from the army to the Ministry of Defense.

While he was serving in the military, Gen Chamnan also engaged in personal business activities. He was particularly interested in the hotel business. Initially, he operated the Poi Luang Hotel in Chiang Mai. Later on, he sold this hotel to a banker. He then built the Phon Sawan Hotel in Chumphon, the most modern hotel in the province. Prior to that, he had purchased land in Chumphon on the recommendation of a colonel who was a fellow classmate of his. Later on, they got into a dispute over the land. However, 3 years ago, this colonel was killed by a gang of hoodlums.

However, even though Gen Chamnan has engaged in various business activities, a news source in the Government House said that Gen Chamnan was unable to convince the OCCC investigation committee that his business activities and those of his family had earned them 100 million baht.

A Man Who Has Never Been Afraid of Athit

Gen Chamnan failed to become RTA CINC, and Gen Athit was appointed instead. As a result, comments on the relationship between the two men increased. Gen Chamnan gave several interviews in which he voiced his unwillingness to accept the new RTA CINC. Things reached the breaking point when Gen Han Linanon, another member of Class 5, was transferred from his position as 4th Army Region commander and made chief of staff officers at Supreme Command Headquarters. This happened after Gen Han opposed Gen Athit on almost every issue. And it looked as if the conflict would grow worse because the supreme commander was Gen Athit. At that point, Gen Chamnan took a stand by requesting that Gen Han be assigned to help him at the Office of the Under Secretary of Defense. In return, Gen Athit took action against Maj Pathomphong Ketsuk, a former aide to Gen Han, charging that he had given a lecture without obtaining permission from his superior officer. The person who decided that Maj Pathomphong had not done anything wrong was the under secretary of defense.

Finally, just a few months before he was to due to retire, Gen Athit thought about having soldiers wear a new uniform consisting of a light-colored shirt and the same pants as before. This idea came under much criticism. Gen Chamnan told the mass media that the uniform proposed by the supreme commander violated Ministry of Defense regulations and that anyone wearing this uniform would be arrested. And so the use of the new uniform was not approved. This was another blow to those who supported Gen Athit.

Two Birds With One Shot

In political circles, it is known that Gen Chamnan plans to enter politics now that he is retired from the military. He will probably run for MP in the 1987 general election or even sooner if parliament is dissolved. He will run in Chumphon as a member of the Democrat Party. Gen Han Linanon is the deputy leader of this party. When that time comes, it is thought that Gen Chamnan will play an important political role. It is known that Gen Prem is very close to both Gen Han, his former aide during the period that he served as 2d Army Region commander, and Gen Chamnan. These two officers will probably strengthen the relationship between the Democrat Party and Gen Prem and make it difficult for anyone to separate them.

But recently, there have been conflicts between the Democrat Party and Gen Athit on several issues, including granting him an extension and revising the constitution. And most recently, Gen Athit attacked the political parties. As a result, a member of the Democrat Party submitted a letter to the minister of defense (Gen Prem, who is close to the Democrat Party) and asked him to investigate this and warn the army leader. It seems that this conflict could grow worse.

Besides the fact that the OCCC's investigation of Gen Chamnan and the subsequent filing of charges will "please" certain people who have long harbored resentment against him, this could ruin the political future of this former officer and create even more difficulties for the Democrat Party in its efforts to organize a majority government for the next general election.

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THAILAND

GENERAL HAN DISCUSSES ARMY ROLE IN POLL, POLITICAL FUTURE

Bangkok LAK THAI in Thai 26 Dec 85 pp 20-22

[Interview with Gen Han Linanon; date and place not specified]

[Excerpts] [Question] You have frequently had conflicts with Gen Athit Kamlangek, the RTA CINC. Will this affect the election in the military zone?

[Answer] The military can cast a large number of votes but not as many as the civilians. Thus, if I win most of the civilian vote, the votes of those soldiers who have been ordered to vote for another party will not have any effect on the outcome of the election.

However, I don't think that it is proper for soldiers to be ordered to vote a certain way. There should not be any curtailment of political rights. Each soldier has his own personal views. Thus, it's improper for a commander to order his subordinates to vote a certain way. That is a serious breach of political etiquette. You can't infringe on people's political rights.

Without political rights, we won't have any rights or freedoms. Political rights and freedoms are extremely important in people's lives. Thus, it is highly improper to give such orders.

[Question] Such orders were given during the Bangkok Metropolitan gubernatorial election. Soldiers were ordered not to vote for the Democrat Party, but they were not told for whom to vote.

[Answer] They may have given such orders, too. If they gave orders, they would have issued orders about which party to vote for as well as ordering people not to vote for the Democrat Party. I have wondered why they ordered people not to vote for the Democrat Party.

There have been reports that the Democrat Party is the enemy of the military because it discharged soldiers after the end of the Second World War. But that doesn't make sense, because the Democrat Party had not even been formed at that time. It's true that M.R.W. Seni Pramot was the prime minister. He had been a member of the Thai Seri group abroad. But he was not a member of the Democrat Party because the party had not yet been formed. There are other rumors, too. But I don't want to believe them because I still respect senior

military officers. But it is said that they told people that Gen Han is not an enemy of the military. They said that I am a fellow soldier but that I joined the wrong party. They said that I joined a party that opposes the military.

But since I joined the Democrat Party, I have not seen any evidence that would indicate that the Democrat Party opposes the military. Democrats who have served on the Military Subcommittee have constantly supported taking action to solve the military problems. For example, they have fought to increase the salaries of the lower ranking soldiers and improve military benefits. The Democrat Party has never been an enemy of the military. I have always believed that the military is a national institution that is equal in importance to the political institutions. A sovereign nation has to have a military. Why would we want to destroy the military? We have to help increase the efficiency of the military and foster idealism in the military.

Thus, soldiers have to have their own standpoint. They must be able to vote for whom they want. I sincerely hope that the military does not hate the political parties or politicians. Only the political parties can serve as the important apparatus in administering the country. The developed countries all have strong political parties. Thus, we have to support the political parties and help strengthen them so that they can govern the country properly. We love the country. The military is worried about the country. I understand that. But it should not interfere in those things that are the responsibility of the political institutions.

Regardless of how the political parties fight each other, that is their political path. If political changes are made, parliament is dissolved or the cabinet is reshuffled, all those things are based on the constitution. The framework still exists and so nothing is lost. Dissolving parliament or reshuffling the cabinet is not something bad because we can elect new MPs and a new government.

But changing the government through a coup d'etat is not good. Coups occur only in backward countries. Coups don't occur in developed countries. Those who stage coups are condemned by other countries. Our military must consider these things.

[Question] There are rumors that the military will switch allegiance from the Prachakon Thai Party to the Social Action Party. What is your view on this?

[Answer] I don't know what they plan to do. There are just rumors. I have already said that commanders should not give such orders. They should allow their subordinates to vote for whom they want.

[Question] If you are elected MP, will you again struggle against the influential people and dark powers? Will you revive the Subcommittee to Study Dark Influences, which you formed when you were a senator?

[Answer] I fought this during the time that I served as a senator. I was the chairman of that subcommittee. We made recommendations to the government. People called us the dark powers suppression committee. We did not complete the job because of the large number of problems and obstacles. In the end, I

was beaten by the dark powers. They managed to have the subcommittee dissolved.

If I am elected MP, I will struggle against this again. But even if the subcommittee is reestablished, it will probably be given a different name. Or it may engage in other activities in order to help eliminate the injustices in society. We have to find more suitable methods.

[Question] What do not think about the dark influences problem today?

[Answer] There have been dark influences in Thai society for a long time. Influential financiers are in cahoots with corrupt government officials. That's one thing. Another thing is that the various hidden powers know that they can exert pressure on parliament and issue orders illegally. These influential people distort our politics. Instead of the benefits going to the people, they go to the influential people. Thus, to solve this problem, we must build a perfect democracy and develop our system like that of the developed countries. Until we perfect our democracy, the influential people will continue to exert influence at both the local and national levels. They will form a chain. If we can solve the problem at the top, things will be all right at the lower levels.

To solve the economic and social problems plaguing the people, we have to solve the political problems and have a perfect democracy. This is because the economic problems are just secondary problems. If we fail to solve the primary problems, that is, the political problems, it will be impossible to solve the other problems.

[Question] What are your political goals?

[Answer] Everyone has dreams for the future. But my political future in the party will unfold naturally. The Democrat Party does everything in a democratic manner. The party leader, deputy leader and secretary are all elected by the party members.

I joined the party after I left the military. I have served the party and worked as a soldier of the party. I have served my political elders even though some of them are only 30 years old. They have told me what to do, and I have done it in the interests of party unity. We have had success. For example, we won the elections in Yasothon and in Bangkok Metropolitan zones 3 and 2.

Thus, when the position of deputy party leader became vacant, I was elected to that position. However, I don't plan to compete against Mr Phichai Rattakun for the position of party leader. I have never thought about that.

[Question] What if you score so many successes in the future that you are elected party leader?

[Answer] That depends on the vote. We have a democratic party. The Democrat Party does not belong to one person. It's not like other parties that have a lot of money. Anyone can become a minister or even party leader.

However, I plan to engage in political activities for only 7-8 years. I will then retire. I plan on serving as an MP from about two terms and then allowing younger people to have a chance. There are many young people with ideals in our party. And so I am not thinking about anything else at this point. I want to help the party grow so that it can serve as the party of people nationwide. For our country to develop, we must have strong political parties. And if a party is to become strong, it must be a mass party. We need people of all classes and occupations to join our party and help build the party.

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THAILAND

PREM ECONOMIC ADVISOR WIRAPHONG ON DECISION MAKING

Bangkok MATICHON in Thai 31 Dec 85 p 13

[Interview with Wiraphong Ramangkun, an advisor to the prime minister; date and place not specified]

[Text] [Question] During the 6 years that you have worked with Prime Minister Prem, it has frequently been said that you have great ideological and economic influence on the prime minister. What is your reaction to this?

[Answer] I don't think its true that I have influence on the thinking of the prime minister. All important decisions about economic matters are made by the economic cabinet or the full cabinet. It's true that I have submitted data and made suggestions on important economic matters during the 6 years that I have served as an advisor to the prime minister. This is because I have followed the important economic issues. I have gathered data and submitted my views on various matters to the prime minister. That is true.

[Question] Have the various decisions and the views of the prime minister prior to making the decision been in line with your recommendations or have they been at odds with your recommendations?

[Answer] There have been times when the views of the cabinet or economic ministers have been in line with my views, and there have been times when we have disagreed. For example, we have disagreed on the rice policy and on the eastern seaboard development project. Thus, there are times when we agree and times when we don't. We agreed about devaluing the baht and promulgating a new commercial banking act. There have been other things, too, but I forget what they were because it has been so many years. But regardless of whether we agree or disagree, I feel that my duty is to provide data and facts, analyze the data and facts and submit recommendations. As for whether the cabinet or the prime minister accepts my recommendations, that is outside the scope of my duties. If a recommendation is accepted and good results are achieved, the ministry involved gets the credit. If this action fails to achieve results, the ministry must take responsibility. Thus, I am not attached to anything because the people responsible must take other things into consideration, too. For example, they have to consider the political and social aspects. My recommendations and ideas are usually about economic matters. I don't give much attention to political matters or the stability of the government.

Otherwise, the reasons that I have advanced would not be purely economic reasons. When the cabinet discusses a matter and considers the political aspects, the stability of the government or country and security issues, it may arrive at a decision that is at odds with my view.

[Question] You have worked with the prime minister for a long time. Has he changed very much during that time?

[Answer] Let's first talk about the things that have not changed. He gives me complete freedom in presenting my views and ideas. During the 6 years that I have served him, he has never told me what I should think about an issue or what recommendations I should make. He has given me complete freedom in expressing my views. Regardless of whether he agrees or disagrees, he has never told me what to think. In that respect, he has not changed.

On the other hand, as compared with his 1st year in office, he now has a much greater understanding of economic matters. He is able to discuss and make decisions about economic matters much better than before. I think that he now understands all the economic issues even though some of the issues are very difficult to understand if the person is not an economist. His understanding is much greater than it used to be. For example, he has in-depth knowledge about the foreign capital market mechanism, the domestic rice market mechanism, the domestic financial system and rural poverty. He also understands the income distribution and job creation problems.

[Question] Why is that?

[Answer] I think it's a matter of experience. He has had to deal with economic problems. He has had to listen and make decisions every day for many years now. I think he now has a very good understanding of the issues.

[Question] Is his personality a factor?

[Answer] I think so. The prime minister is a modest person. I have observed that he is very eager to learn. If there is something that he does not understand, he will ask that the matter be explained to him. He will study the matter until he understands. I have observed that he has a great desire to understand economic matters.

[Question] Has he changed as far as making decisions is concerned? There are people who say that he is slow in making decisions, that he likes to pass matters on to others and that he vacillates.

[Answer] In making decisions, I think that he uses the cabinet system. Or he has the economic ministers discuss matters. He listens to the views of the economic ministers and gives particular weight to the views of the heads of the ministries concerned. However, it is the view of the majority of the cabinet that determines how an issue is decided.

As for his vacillating and being slow to make a decision, I don't think that that is true. If the issue is clear and he agrees, even if this is something that will affect the government's stability, he will give his approval if he

thinks that this is economically necessary. The devaluation of the baht is a good example. He knew that this would definitely affect the stability of the government. Or take the tax and energy price issues. He has made decisions on both these issues. The issues that take time to decide are issues that are not clear. For example, it may not be clear whether the benefits outweigh the costs or whether the advantages outweigh the disadvantages. Or there may not be enough officials to carry out the task. Or there may be questions or people who have doubts. In such cases, he is very careful, particularly in cases involving large sums of money. And in my view, being careful is better than being too hasty and making mistakes. I think that is preferable.

[Question] What type of person should the next leader or prime minister be? Will he have to show a great interest in economic matters?

[Answer] I am not in a position to answer that because that deals with the future. I cannot say what type of person he should be. Each leader of the country or of the government has his own work style. And it is difficult to compare styles and say which is better. It depends on the style of each person.

[Question] But people at almost all levels are saying that if the next prime minister does not have a deep interest in economic issues, the country will be in great trouble.

[Answer] Actually, the head of the government does not have to have in-depth knowledge about economic matters. I don't think that a country has ever been led by an economist. People without such detailed knowledge can administer the country in ways that will promote prosperity and economic security. The important thing is to have talented people in the bureaucracy and to have a decision-making system that will enable us to make decisions in a correct and careful manner.

[Question] In the past, there have been times when senior officials have said one thing but the government has done something else.

[Answer] That shows that the system is not good. There shouldn't be any problems if the system is good and if there are knowledgeable, talented and experienced officials.

[Question] You were criticized sharply, particularly by M.R.W. Khukrit, after you submitted your economic forecast for the next 5 years. How do you feel about this?

[Answer] That doesn't bother me. I take such criticism as an honor, not as an insult. But what I submitted was a scholarly work. It was the result of research done by a team of researchers who have studied Thailand's economy using modern forecasting tools. The results were presented in a systematic way. The methods that were used, where the figures came from and what assumptions were made in making the economic predictions were presented clearly and systematically. People are free to agree or disagree.

Other countries, too, make economic forecasts using graphs. They have many institutions working on this. But our Research Institute for the Development of Thailand has just begun working on this and so there are jokes about this. But actually, this is a common matter. There is nothing unusual about this. This is a service that the institute provides to society in order to project an image or show what the trends are for the next 5-6 years. It's up to others to make use of this in formulating plans. The government could use this information to formulate plans to solve the economic problems. The private sector could use the information to formulate company plans.

[Question] What do you think about the government's past economic policies? In making decisions, how much weight is given to economic reasons and how much to political reasons? Is there a good balance?

[Answer] I can't give you an answer. Because I work in the field of economics, I would like to see greater weight given to economic reasons. But others who work in the political sphere would probably like to see greater weight given to political reasons. And people who work in the social field would like greater weight given to social reasons. It's only natural that people who work in a particular field would like the decision makers to give greater weight to their field. You have to consider things from the standpoint of the decision makers.

[Question] Personally, which role do you prefer?

[Answer] What I like the most is teaching. I like to pass on my knowledge and experience to students. I also like research. This is the first time that I have had a chance to submit ideas to the government. This has given me a chance to gain experience and knowledge that I can pass on in the future and enabled me to conduct studies dealing with the real world.

[Question] What about politics?

[Answer] I don't plan to involve myself in politics. I don't have any political goals.

[Question] Many people say that in submitting economic research reports, instead of just pointing out the problems, you should also make recommendations on what action the government and others should take in dealing with the economic situation.

[Answer] Such statements show that those people have not read my report. Because in my research report, I suggested solutions and proposed national development policy lines for solving the problems mentioned in the report. It's just that at the meeting, time was limited and so I couldn't discuss everything. All my recommendations are in that report.

[Question] In short, you recommend frugality and efficient administration.

[Answer] That's the general idea. People can read the report. The newspapers have printed seven or eight paragraphs.

[Question] How have you managed to remain an advisor for so long? Is it because your ideas match those of the minister of finance, with both of you attaching great importance to stability?

[Answer] I don't know. But we both feel that stability will be a rather serious problem in the future. If people agree on what the problems are, their economic views may be similar.

[Question] What about the criticism that we are following the orders of the World Bank and the IMF, our large creditors?

[Answer] I don't think that that is a major issue. It's a matter of the creditors' views. As for the criticism that we are following the orders of the creditors, I don't think that is the case. If we did not borrow money, no one would interfere with us. If we don't want anyone to interfere with us, we shouldn't borrow any money. If we do, they will definitely get involved.

[Question] What if there is a rebellion?

[Answer] We would become like the countries in Latin America. Later on, we would not be able to borrow from anyone. The problems would just grow worse. Thailand is a sovereign country. The country's reputation is very important. As long as we still need to borrow money from abroad, engaging in such actions would be tantamount to committing suicide.

[Question] What about borrowing from other sources?

[Answer] Other sources have to look at the creditors, too. Actually, the private capital, or financial, markets abroad and the private commercial banking markets abroad all rely on World Bank and IMF reports. This is because they do not make detailed economic surveys or review the economic policies of the country as carefully as these two institutions.

Biography: Mr Wiraphong Ramangkun, an economic advisor to Gen Prem Tinsulanon, the prime minister, was born on 1 August 1943. He earned his bachelor's degree in political science from Chulalongkorn University. He earned his master's and Ph.D. degrees in economics from the University of Pennsylvania. He has served as economic advisor attached to the prime minister since 1983.

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THAILAND

MINISTERS COMMENT ON 15 JAN CABINET SHAKEUP

BK160938 Bangkok BANGKOK WORLD in English 16 Jan 86 pp 1, 2

[Text] Former Deputy Interior Minister Ophat Phonlasin this morning lashed out at his former secretary Praso Buesarakham who has just been named deputy agriculture minister for his alleged involvement in the operation of a cable TV firm, saying that Mr Prasop acted on his own without his knowledge.

Mr Ophat was dropped from the Cabinet in the official announcement of the Cabinet reshuffle last night and was replaced by Ayutthaya MP Montri Phongphanit. The former deputy interior minister this morning said after bidding farewell to Interior Minister Sitthi Chirarot and senior ministry officials that he was glad to have been relieved of the burden.

He said he knew about 2 weeks in advance that he would be dropped from the post, and that he as well as other Social Action Party's Cabinet ministers had submitted their resignation letters on 7 January.

On the controversial illegal operation of a cable TV system by the Overseas Programme Service Co which became a hot issue last week, Mr Ophat claimed that in fact it was his former secretary, Prasop Bulsarakham, the new deputy agriculture minister, who was directly involved with the firm without his prior consent.

It was reported last week that Mr Prasop sent a letter, allegedly on the order of Mr Ophat, to the Metropolitan Electricity Authority [MEA] requesting that the firm be allowed to keep its cables on the MEA power line until a pending law controlling cable TV comes into effect.

"After learning of the matter I contacted the MEA governor and learnt that a legal suit had been filed. I did not know whether or not Mr Prasop had any interest in such action," Mr Ophat said.

Concerning the issue, Khon Kaen MP Khlaeo Norapati, in his capacity as a member of the House Committee for Administration, said today he would propose that the committee summon Mr Ophat and Mr Prasop to clarify the matter. The letter is expected to be submitted to the committee tomorrow, he added. Mr Khlaeo said it seemed to him that interests were involved in this issue.

"Even a small matter still [presents a] problem so how can he (Prasop) take responsibility for big issues," he said, referring to his Cabinet portfolio.

On the future of the government, Mr Ophat said he believed it would not last through the year 1986 and anticipated a dissolution of Parliament or a change of the whole government.

After Parliament reconvenes in May, problems will arise and MPS are not likely to approve all the pending bills particularly the Finance, Security and Credit Foncier Acts, he said. "I, as a SAP whip, know that it would be difficult to get support from MPS," Mr Ophat noted.

Mr Ophat also voiced disapproval of the proposed tax package and the government rice price support scheme which seemed to be ineffective.

Meanwhile, Interior Minister Sitthi Chirarot this morning said he foresaw no problems in working with newly-appointed Deputy Interior Minister Montri Phongphanit, saying that he had worked together with Mr Montri before when he was deputy communications minister. He said he would hand over all the responsibilities of Mr Ophat to Mr Montri.

On the new minister of commerce, Suarat Osathanukhro, who replaced Mr Koson Krairoek, General Sitthi said he believed Mr Surat is now in better health and knows all the problems prevailing in the Commerce Ministry, particularly its rice problem.

Meanwhile, the new deputy finance minister, Subin Pinkhayan, said he did not know in advance about the appointment and he would call on ACM [Air Chief Marshal] Sitthi Sawetsila very soon to consult about his work after an audience with His Majesty the King.

He admitted that monetary and finance were important problems facing the government and he would like to see better economic situation in the country.

He said he hoped to hold consultations with Finance Minister Sommai Huntrakun and the other deputies to discuss their jobs.

The limited Cabinet reshuffle announced last night saw five SAP ministers dropped from the Cabinet: Deputy Prime Minister Buntheng Thongsawat, Commerce Minister Koson Krairoek, Deputy Commerce Minister Prayun Chindasin, Deputy Interior Minister Ophat Phonlasin and Deputy Agriculture Minister Phan Bunchit.

SAP interim leader ACM Sitthi Sawetsila has been appointed deputy prime minister while retaining the Foreign Ministry post.

Mr Surat Osathanukhro has been appointed Commerce Minister, replacing Mr Koson.

Chiang Mai MP Dr Subin Pinkhayan has been appointed deputy finance minister, replacing Amnuai Yotsuk who was named deputy commerce minister.

Ayutthya MP Montri Phongphanit was appointed deputy interior minister, replacing Mr Ophat and Udon Thani MP Prasop Buesarakham deputy agriculture minister in place of Mr Phan.

Former Deputy Foreign Minister Arun Phanuphong has been appointed to his former post.

Mr Surat said today that he fully realised that many problems were awaiting him at the ministry. He expressed sympathy for his predecessor, Mr Koson Krairoek, and praised his political spirit.

On the rice problem, the deputy SAP leader said he would do his best now that he is back in good health.

On foreign trade, Mr Surat said he would seek cooperation with the Finance Ministry for financial support to buy agricultural produce, the Foreign Ministry for its help in finding foreign markets and the Agricultural Ministry for overseeing problems concerning agricultural products.

Mr Surat said that joint efforts were needed to explain to the United States the effects on Thai farmers and planters by the Farm Act.

Mr Amnuai Yotsuk, who has been assigned to the post of deputy commerce minister, said that prevailing economic problems need the cooperation from all parties concerned. He said that he was glad that he was still considered capable of tackling the country's important affairs.

Mr Montri said he did not know in advance that he would be included in the new line-up. He said that from his long experience as an MP and former deputy communications minister he believed he was ready to work, particularly with Gen Sitthi Chirarot.

MP Prasop Butsarakhom said he was unaware that he would be appointed. He said he was not worried about his new assignment as he used to work as a secretary for former Deputy Agricultural Minister Prida Phatthanathabut.

Mr Khlaeo said further that he felt sympathy with SAP MPs from the North who expressed dissatisfaction with the reshuffle in which former Deputy Prime Minister Buntheng Thongsawat was dropped from the list. He warned fellow MPs to be calm as, when important positions were involved, they should not look only at seniority but to also take into account capability, ability and the interests of the country.

He said that those MPs should not take this as an excuse to withdraw their support from the government or the party.

He asked Mr Buntheng to call a meeting with those MPs to ask them not to make any move and to explain the reasons to them.

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THAILAND

KHUKRIT INTERVIEWED ON CABINET SITUATION

BK170420 Bangkok BANGKOK POST in English 17 Jan 86 p 5

[ASIAWEEK's Chuchat Kangwan interview with former Social Action Party [SAP] leader Khukrit Pramot--"reprinted by permission of ASIAWEEK"]

[Text] [Question] SAP was criticised for the falling prices of agricultural produce. Why was that?

[Answer] Well, I can't be blamed for falling prices. It's not due to our (SAP) mismanagement. It's due to falling world prices, and I don't know what causes that.

[Question] Why then did SAP accept the economic portfolios?

[Answer] Because we thought we might be able to do something, and we have been able to... The causes of all the economic problems are not with the Commerce Ministry or with the Ministry of Agriculture (SAP portfolios). The cause of the economic failure of this country is the financial policy. We did not ask for Khun Sommai (Finance Minister Sommai Huntrakun). The prime minister appointed him himself. We did not ask (for) all the academic doctors who are now working as the prime minister's advisers. The prime minister chose them all. And when we are in the economic meetings, we are the minority. Those people of the prime minister always override us. This country is heading for a tremendous failure because we are now using textbooks to govern. We don't use facts.

[Question] The prime minister didn't accept SAP's economic proposals?

[Answer] He's not interested. He doesn't know what the SAP is, except a group of MPs who raise hands for him in Parliament with me as the leader.

[Question] What are you going to do?

[Answer] I'm so frustrated that when Parliament opens, I may cross the floor and join the opposition. I shan't resign from the party but I shall be in opposition.

[Question] What are the major economic issues?

[Answer] We haven't got enough money to go around and Khun Sommai and the Bank of Thailand refuse to inject more money so there's no investment. Nothing, nothing. And they put the strictest measures on the commercial banks--they can hardly make any loans now. No one spends Khun Sommai's money, so he sits on a pile. Money can still be mobilised in this country, only the government doesn't see the way to do it.

[Question] What do you recommend as a solution?

[Answer] Kick (out) Khun Sommai. I don't think we have any right to demand anything if the prime minister doesn't kick Khun Sommai out.

[Question] Will your resignation have a serious impact on the government?

[Answer] No, not at all.

[Question] But hasn't it already brought political uncertainty?

[Answer] That's a good thing, isn't it? This government has been sitting pretty for a long, long while, while I and the Social Action Party get the blame for it. Now it's time to kick the government to its senses, and the SAP as well.

[Question] In what ways should the government direct its economic policy?

[Answer] See to it that the people don't starve. Get fair prices for their products. Give them hope. Give them morale. And all other problems will solve themselves. The true (aim) of development, according to my idea, is to find jobs for everyone. And you won't have to worry about crime or morals or anything. If you get that, you even won't find a single prostitute.

[Question] Will SAP still be a coalition partner?

[Answer] Of course. Who said otherwise? With the new leader, of course, we'll be right in the government.

[Question] What is the prime minister's reaction to your departure from the SAP leadership?

[Answer] Very happy. Very happy reaction.

[Question] Do you feel sorry for supporting the premier over the years?

[Answer] I don't feel sorry for anything. It's been my fault. It's been my weakness.

[Question] Do you think this government will last until Parliament's term ends in 1987? Or will the premier dissolve the House to advance the general elections to avoid holding them in the year of the King's 60th birthday celebrations?

[Answer] I'm quite sure it will (last until 1987). There's no link between the King's 60th birthday and dissolution of the House.

[Question] Do you think General Prem should continue in office?

[Answer] He is a nice man and I still revere him. But whether he's suitable to continue to be premier depends on the public, on the public, on the nation, on the politicians.

[Question] Would you become prime minister again if SAP wins a majority?

[Answer] The longer I live, the more danger I see in majority rule. In the case of Thailand, rule by majority is always disastrous. It has to be ruled by one, because our people are used to that. If you ask who is that one, that one is Khukrit. Otherwise I wouldn't be successful. Anyway, I have to look at my strength. I'm now not very healthy. I'm suffering from diabetes.

[Question] On the proposal last year for an ASEAN summit, did you or Foreign Minister Sitthi receive any response from other ASEAN leaders?

[Answer] Not at all. Not at all. Time has passed. We must not postpone until say, Marcos feels well, or until Suharto is free. It's an urgent matter. Economic problems face everyone of us. Every ASEAN member has his own private thinking. (They're) not having collective thoughts. The only one who managed to call a summit is M.R. Khukrit, who called it in Bali (in 1976).

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THAILAND

COUP TRIAL CROSS-EXAMINATION OF AIR FORCE CHIEF CONTINUES

BK171122 Bangkok BANGKOK WORLD in English 17 Jan 86 pp 1, 28

[Excerpts] Royal Thai Air Force [RTAF] Commander-in-Chief ACM [Air Chief Marshal] Praphan Thupatemi said this morning at the Criminal Court that a coup suspect Col Manun Rupkhachon said he forced the alleged coup leader Gen Soem na Nakhon to join in the abortive takeover attempt. ACM Praphan made the statement as he was being cross-examined by suspect ACM Arun Phromthep's lawyer Khamnuan Chalopatham.

ACM Praphan said that as the coup headquarters was blacked out and everybody moved into a cafeteria, he heard Colonel Manun tell everybody there that he was the one who led troops to abduct General Soem from his home. "But I don't know whether what he said was true," he said.

ACM Praphan again was irritated by some seemingly irrelevant questions of former deputy supreme commander ACM Krasae Intharat's lawyer, and at times seemed to be angry. Once he remarked, "Be careful, if you ask me too many questions I might remember more of what happened," implying that what he might say could make the case against the defendants even stronger.

Before the court reconvened with the cross examination this morning, Chief Judge Prasert Bunsri warned journalists not to take photographs through windows from outside the courtroom otherwise they would face court action.

The cross examination of ACM Praphan, which again attracted a large crowd, began at 8:45 am.

All the five key suspects in the abortive coup trial arrived at the courtroom under heavy guard. They were followed by 35 other coup suspects such as student activist Sombat Thamrongthanyawong and some union leaders.

ACM Praphan at one point told the court that Colonel Manun did not talk to any person in particular when he said in the cafeteria that he led troops to abduct General Soem from home. "He just raised his voice so that he was heard by everybody in the room," ACM Praphan said.

ACM Praphan said that after Colonel Manun reached an understanding with "Staff Officer Hank," (Col Phiraphong Sanphakphisut) General Kriangsak and General Yot left for the First Army Region Headquarters. "At that time in the cafeteria, we heard Colonel Manun make that remark," he said.

When asked about his activities at the coup headquarters, ACM Praphan said most of the time he just sat in a chair and getting up time from time when he got tired.

General Soem also spent most of his time at the table, he said, unlike others who were seen walking around. "General Kriangsak mostly stood and walked around smoking his pipe," he said.

As he was sitting alone, ACM Arun came in and sat beside him, however, they were not talking business only inquiring about each other's health, ACM Praphan said. "But at one time, ACM Arun commented that the situation was not good," he said.

"ACM Krasae once came by and talked to me about reshuffling RTAF officers, to which I simply commented that it was not timely," ACM Praphan said, "I did not pay much attention to him so he left."

Asked whether he heard both Gen Bunrit Thanthranon and Admiral Supha Khotchaseni complain about the conditions in the headquarters, ACM Praphan said he did not.

When asked whether the coup was shabbily planned, citing as an example the coup officers' difficulty in finding a room suitable to turn into the command post, ACM Praphan said the coupmakers involved many levels of officers. He said, "There were the brains and the low-level officers who were simply following orders."

The RTAF chief said he believed those who abducted him from his house were in the latter category.

Asked about the RTAF personnel involved in the aborted attempt, he replied that a total of 101 officers were involved to different degrees.

But when asked if he knew whether General Kriangsak was taken from home by Wing Commander Manat Rupkhachon by force on a machinegun-mounted jeep, ACM Praphan replied that he did not know.

ACM Praphan also described the atmospheres in the coup headquarters as casual. However, he denied having said that it was safer to stay inside the headquarters than outside.

Afterwards ACM Krasae's lawyer Yut Watcharaphum took his turn to question the Air Force chief.

However, most of Yut's questions seemed to be irrelevant and at times angered ACM Praphan.

Asked if he saw the names of persons who had signed the orders of the coup plotters which were passed on to him to read, he said that he thought he had. But he told the lawyer "who else do you think will sign the order if not the leader of the coup" when asked who he thought had signed the orders.

The next session will be on Friday next week.

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THAILAND

GOVERNMENT LIKELY TO PROPOSE AMNESTY FOR COUP SUSPECTS

BK190134 Bangkok BANGKOK POST in English 19 Jan 86 p 1

[Excerpt] An amnesty may be the only choice for the government if it wants to end the ongoing coup trial which is threatening to spark a major political conflict, a senior Cabinet minister told the BANGKOK POST yesterday.

The minister who wished to remain anonymous, admitted that there were mounting tensions among the country's power brokers after last week's court testimony by Air Force Commander-in-Chief ACM [Air Chief Marshal] Praphan Dhupatemiya on the events surrounding last September's abortive coup.

The minister warned that if the trial continued, allegations could be made concerning the identity of an alleged mastermind, which, he said, could lead to a serious political conflict.

"To ease these tensions and avert the threat of violence, the government is likely to propose an amnesty for the coup suspects. Only then can we avoid a major confrontation," said the minister.

Declining to specify any time frame the minister said an amnesty should be granted soon. He also commented that it would be in the Cabinet's interests to initiate the pardon motion and seek parliamentary approval in due course.

The minister, however, ruled out any possibility of a parliamentary dissolution for the time being, adding that if such an action were taken for any reason, it would not be before Parliament had reconvened later in the year.

As one factor promoting the current unrest, he cited dissension within the ranks of the Social Action Party after last week's limited Cabinet reshuffle in which deputy party leader Buntheng Thongsawat was dropped from the government lineup.

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THAILAND

SINGAPORE'S LEE KUAN YEW MEETS SITTHI, VIEWS KPNLF

BK190150 Bangkok BANGKOK POST in English 19 Jan 86 p 3

[Text] Singapore Prime Minister Lee Kuan Yew yesterday expressed concern that a rift within the KPNLF could undermine international support for the Coalition Government of Democratic Kampuchea.

Political Department Director-General M.R. Thep Thewakun said Mr Lee and his party which included Foreign Minister Suppiah Dhanabalan expressed their concern after their meeting with Foreign Minister Sitthi Sawetsila and other officials yesterday.

The Singaporeans, who were on their way back from Burma, arrived yesterday for a 2-day visit as guests of the Foreign Ministry. They later met ACM [Air Chief Marshal] Sitthi, Permanent Secretary for Foreign Affairs Asa Sarasin, National Security Council Secretary-General Sqn-Ldr Prasong Sunsiri, Supreme Command Chief-of-Staff Gen Bachop Bunnak and National Intelligence Agency Director-General Piya Chakkaphak at the Oriental Hotel from 6:30 pm to 7:30 pm.

Mr Lee was concerned that the rift between KPNLF leader Son Sann and the Provisional Central Committee of Salvation led by KPNLF Supreme Commander Gen Sak Sutsakhan could lead other nations to withdraw support for the anti-Vietnamese CGDK.

They also discussed world economic issues and agreed that the six ASEAN nations must now seek a "common stand and turn to each other to establish economic cooperation that would help the group to salvage the situation."

Mr Lee and his party will meet Prime Minister Prem Tinsulanon today at the Oriental Hotel.

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THAILAND

NAVY SPOKESMAN ON 'COBRA GOLD'; 1 KILLED AT BORDER

BK210138 Bangkok BANGKOK POST in English 21 Jan 86 p 3

[Text] The Royal Thai Navy yesterday dismissed Phnom Penh's threat of "serious consequences" over the Thai-United States military exercise near Kampuchean waters. Navy spokesman Rear Admiral Dilok Phattarakoson said: "We are not afraid of any threats. We have the right to do what we want in our own territory."

The Vietnam News Agency, quoting the Heng Samrin regime's SPK radio, said the joint exercise constituted a "clear threat" to Kampuchea. Combined with China's "armed provocations against Vietnam," the maneuvers would "heighten tension throughout Southeast Asia," SPK said.

Rear Adm Dilok said Thailand and the United States had conducted the "Cobra Gold" joint exercise for several successive years, and it was "by no means a threat to any country."

The war games, he said, were aimed merely at only boosting the combat-readiness of the participating forces.

In Prachin Buri, one villager was shot dead and another was injured allegedly by intruding Vietnamese troops on Sunday night. The body of Boontham Sae Gang, with five bullet wounds, was found yesterday morning 50 meters from Khlong Phrommahot, which acts as the Thai-Kampuchea border-line. Warin Nimitsuk, 18, who was shot in the leg, reportedly told Border Patrol policemen that a group of 20 Vietnamese soldiers came 50 meters inside Thailand at about 8:30 pm and began shooting at him and Boontham.

Meanwhile, Khmer resistance fighters battled Vietnamese troops inside Kampuchea on Sunday night and throughout yesterday. The first battle occurred on Sunday at 9:30 pm when the Khmer Rouge soldiers attacked Vietnamese troops at four locations situated opposite Thap Phrik village in Aranyaprathet District of Prachin Buri Province.

At 8 am, a group of 30 soldiers belonging to Son Sann's Khmer People's National Liberation Front launched an hour-long attack on Vietnam's supply route, 6 kilometers from the border and opposite Angsila village in Ta Phraya District. The fighting resumed at 3 pm, and on both occasions the Vietnamese countered with 105mm artillery fire.

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THAILAND

DAILY SAYS THAI-U.S. EXERCISE 'RATTLES' VIETNAM

BK240129 Bangkok THE NATION in English 24 Jan 86 p 4

[Editorial: "Thai-U.S. Exercise Rattles Vietnam"]

[Text] Vietnam spewed forth its predictable output of sabre-rattling commentary and threats preceding the launching of joint military exercises between Thailand and the United States. But this time there is a fore-boding difference. Not unexpected, for this time Cobra Gold 86 will be held nearer "home."

Since the first expanded joint military exercise between the United States and Thailand in 1982 dubbed Cobra Gold 82, Vietnam has been firing off squawks via Radio Hanoi. They said then, "This is a provocation to the countries of Indochina. The United States is increasing its military aid to Thailand and planning to use its ally as a springboard for a military return to the Southeast Asian mainland."

It is to be noted though that military exercises in Thailand, whether between different services of the country's military force, between Thailand and other countries in the region or between Thailand and the United States were the consequence of the 1980 Vietnamese incursion into Thailand which caught the Thai armed forces by surprise and caused panic among the unprepared villages.

Since then there have been regular inter-service exercises in the Thai military as well as joint air or naval exercises between Thailand and Malaysia, Thailand and Singapore, and Thailand and Indonesia.

In September 1982, Singapore's Prime Minister Lee Kuan Yew even called for an ASEAN joint military exercise, but though not rejected outright by members of the regional grouping, this was gingerly dropped as it "might cause problems."

The United States came into it not only because she is an ally of Thailand but because of the threatening and continuing build-up of Soviet naval strength in the region. The Soviet Pacific fleet had spread out from north to south along the Pacific and Indian waters and then more recently the progressive build-up of not only naval but air power at Cam Ranh Bay,

a base in Kampuchea [as published] developed by the Americans during the Vietnam War, caused serious concern among ASEAN and the United States.

The joint exercise is designed to test the combat readiness and cooperation between the naval and air forces of the United States and Thailand. And according to a former Thai Armed Forces commander-in-chief "deter a possible invasion from a foreign country and assure the public of the country's preparedness to cope with possible external threats."

The size and scope of Cobra Gold has increased every year from 9,000 servicemen of both countries in 1982 to about 20,000 this year. The number and sophistication of warships, aircraft and other weapons have also expanded.

Cobra Gold used to be held in Thai territorial waters between Chonburi and Songkhla in the South but this year it was decided that the joint exercise would be held in Thai territorial waters between Chonburi and the Chanthaburi-Trat coast.

The Vietnamese Government's official newspaper NHAN DAN (PEOPLE'S DAILY) said the planned exercise is "very dangerous and fraught with very serious consequences."

But some 160,000 troops occupying Kampuchea, many of them packed near the border and supported by heavy artillery and Soviet-built tanks, the Vietnamese are the ones who are dangerous and must bear the consequences of any rash action, for they have absolutely no right to be where they are.

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THAILAND

GOVERNMENT MAKES 'MAJOR POLICY SHIFT' ON RICE EXPORTS

BK210147 Bangkok THE NATION in English 21 Jan 86 pp 1, 2

[Text] The government, in a major policy shift, yesterday decided to abolish most of the rules controlling rice exports and the main "paddy price-lifting policy." The changes came during the first meeting of the Council of Economic Ministers after the Cabinet reshuffle last week and represented a significant departure from the controversial policies set down by Koson Krairoek who quit last week as commerce minister.

The move represents an about-turn in government policy since it has done away with export rules and regulations that were announced only 2 weeks ago and the paddy policy is only 2 and 1/2 months old.

In stark contrast to the heated debates surrounding Koson's paddy policy, yesterday's discussions were described as "long but calm," with ministers seeking information rather than arguing about the proposals.

Koson's successor, Pol Cap Surat Osathanukhro, proposed the measures himself. Ministers agreed to abolish the export quota system, most stock-holding requirements, the premiums charged on exports of low grade rice and on rice flour, and numerous other rules governing private and government-to-government deals.

But the premiums collected on exports of higher grade white rice, and on brown rice and parboiled rice remain at their 2-year-old levels which were confirmed along with the other premiums at a Cabinet meeting only last week.

Commerce Minister Surat announced the lifting of export premiums for low-grade rice of various kinds separately later in the evening--after Government Spokesman Trairong Suwankhiri had made public the ministers' decision to liberalize rice exports.

The Ministry of Commerce's policy aimed at lifting the domestic price of paddy has effectively been abolished as well. The legal minimum prices for mills' purchases of paddy, based on 3,000 baht per ton of standard grade paddy has been abolished. And the ministry's soft loan policy for mills has been combined with those of the ministries of agriculture and the interior.

Officially, the decision is described as one arising out of changing market circumstances, particularly the need to make exports more competitive as a large amount of American rice is expected to come on to the world market when the new U.S. Farm Act comes into force in April.

But it is also generally recognized that the paddy price-lifting policy has failed. Critics blame export controls as the main obstacle to lifting domestic prices because exporters slowed down their domestic purchases when they found exporting more difficult.

The prime minister went out of the way to point out that the previous policies should be regarded as the responsibility of the Cabinet as whole, and not Koson's alone. "Ministers should bear in mind that all the measures announced, including those that have been amended, arose from the decisions of the Cabinet," he told his ministers. "They are not the responsibility of any single minister. For example, they are not the responsibility of Mr Koson Krairdek, the former minister of commerce, alone. Otherwise it would not be fair to ministers who put into practice Cabinet decisions.

"But if any measures run into problems, the government is determined to correct the faults," General Prem said.

Immediate reactions to the decision were generally favourable although some "free trade" advocates, such as Wichai Siprasoet, the president of Riceland International, said they feared exporting might now be too liberal.

Wichai said some form of cartel or government representation should remain when single purchasers seek tenders from Thai exporters. He cited imports by specific governments as examples. Dr Amma Siamwala of the Thailand Development Research Institute was sympathetic with the view, provided tenders specified that only Thai exporters should apply.

Market analysts are now debating about the immediate effects of the decision, with some suggesting that in the short run the release of stocks previously held by exporters under Ministry of Commerce regulations would depress domestic prices.

That view is not shared by all, however. Kamnan Song Ong-Chaiwat, the proprietor of the major paddy market in Nakhon Sawan, said prices were as low as they could go. With exporters liberalized prices could only rise, he said.

The council's decision came as about 10 representatives of the so-called Central Agriculturists Committee of Thailand threatened to take "drastic action" if the government failed to enable farmers to sell their paddy at 3,000 baht a ton.

The representatives said in a letter submitted to Premier Prem that the government was given until the 28 January to boost the paddy prices.

They were led by Pralom Buasamli, the president of the committee which reportedly represents farmers throughout the country. But they refused to say what their "drastic action" would be.

Former Minister Koson said last night that the new policy would cause the prices of paddy to drop further. He said there is now no guarantee on who would buy paddy from farmers without the stocking requirements.

Speaking to reporters after calling on former SAP leader M.R. Khukrit Pramot at the latter's Suanplu residence, Konson, however, welcomed the decision to remove the export premium for low-grade rice. "It was long overdue," he added.

He said that he hoped to see the new policy work but if it failed, the people behind it must know what they were doing.

Meanwhile, a group of students representing 14 universities also rallied in front of the Government House to call on the government to abrogate rice export premium and the paddy price-lifting scheme as well as its supplementary measures. They also urged the government to open more markets in socialist countries.

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CSO: 4200/592

THAILAND

PRC SIGNS 'HIGHER-THAN-MARKET PRICE' GRAIN DEAL

BK230119 Bangkok BANGKOK POST in English 23 Jan 86 p 1

[Text] China has contracted to buy 1,137 million baht worth of Thai rice and maize within the next few months to help Thailand tide over the current economic crisis. This represents the biggest single package commodity purchase from Thailand since the start of the global depression.

The Chinese Government concluded the deals in response to a request by Foreign Minister Sitthi Sawetsila through Chinese Foreign Minister Wu Xueqian when he passed through here late December.

Mr Cao Wantong, president of Ceroil (Cereal and Oil) Food Corporation, flew here to personally conclude a government-to-government agreement yesterday evening with Deputy Commerce Minister Phairot Chaiyaphon, at the Ministry of Foreign Affairs, to purchase 200,000 [metric] tons of 25 percent rice at U.S.\$156 per ton, a higher-than-market price. The purchase is worth \$31.2 million or approximately 830 million baht.

The delivery is to take place at the rate of 90,000 tons each month, starting February.

ACM [Air Chief Marshal] Sitthi, Commerce Minister Surat Osathanukhro, Chinese Ambassador Zhang Dewei, and Permanent Secretary of Commerce Wichan Niwatwong signed as witnesses.

After the signing, ACM Sitthi said that the agreement was "another demonstration of close Thai-Chinese friendship, with China coming to help us at a time of serious crisis when our country is faced with rice marketing problems and declining rice prices."

The Chinese "have shown understanding and acted with immediacy to help us," he said. "They have also concluded agreements to buy maize from our private sectors. All these are over and above the provisions of the protocol. Our poor farmers will benefit."

The signing ceremony was followed by a dinner celebrating the occasion. The Foreign Ministry was the venue because the minister of foreign affairs had been responsible for making the agreement possible.

Mr Cao also concluded agreements with various private companies for the supply of 110,000 tons of maize at the market price of \$105 per ton. The total value of the sales is \$11.55 million or about 307 million baht.

Mr Sman Ophatwong, president of the Rice Exporters Association and the Thai Maize Produce Traders Association, praised the foreign minister for his efforts in persuading China to buy so much rice and maize from Thailand at a time when Thailand is suffering from world commodity market setbacks.

Mr Sman, who is also managing director of Huay Chuan Rice Co., expressed thanks to the Chinese authorities for their sympathetic understanding of Thailand's position and immediate action to make the purchases.

Mr Sman reported that contracts were signed with Huay Chuan Rice Co. for 80,000 tons, Seng Thong Rice Co. for 20,000 tons and Bangkok Rice Co. for 10,000 tons. The maize agreements were signed at the Erawan Hotel.

In fact, the Chinese went so far as to increase their intended purchase of rice from 120,000 tons, agreed upon in an earlier protocol, to 200,000 tons. This resulted from an appeal by Marshal Sitthi. The protocol provided for China to buy between 100,000 to 120,000 tons, the latter figure being the maximum target. "This clearly shows that China really wants to help us," Mr Sman remarked.

Chinese Foreign Minister Wu came here towards the end of December and was asked by ACM Sitthi to assist Thailand in its present economic difficulties by buying as much rice and maize as possible. Following his return home, Ceroil sent a top level trade delegation headed by its own president in early January to negotiate and conclude purchase agreements with the Thai Government and private enterprises.

Trade sources said that the contracts would directly benefit rice and maize farmers as well as help Thailand diversify the markets for its commodities. They also mentioned that as Foreign Minister ACM Sitthi had been "devoting himself to a determined drive to promote Thai exports" and the entrepreneurs he had appointed to his economic advisory board were "dedicated to help him achieve national trade objectives."

They also noted that as soon as he became leader of the Social Action Party and was appointed Deputy Prime Minister ACM Sitthi "was instrumental in getting Police Captain Surat Osathanukhro as commerce minister and launching a new system to revitalise the rice trade."

/9604

CSO: 4200/592

THAILAND

FISHERIES DISPUTES WITH NEIGHBORS, SOLUTIONS DISCUSSED

Editorial Scores Malaysia

Bangkok BAN MUANG in Thai 14 Nov 85 p4

[Editorial: "The Government Should Respond"]

[Text] Malaysia has been demonstrating more every day that it is not a friend of Thailand; it has used the law extending its territorial waters to 200 miles to destroy the mutual friendship between the two countries which has been untroubled for so long. The Thai government should clear up the problem of Malaysia's acting like an enemy of Thailand quickly before it stirs up a reaction from the general public, which might not tolerate the unjust behavior of the Malaysians.

At present dozens of Thai fishing boats have been siezed and hundreds of crewmen have been imprisoned. Most of all of the fishing boats siezed were harassed by Malaysian officials, causing damage amounting to many hundreds of millions of baht. It is felt that the actions of Malaysia against these Thais were much worse than those of Vietnam against Thai fishing boats and fishermen because Malaysia is a country with close and friendly relations with Thailand whose behavior has been more cruel than that of an unfriendly country.

Recently Mr Chia Kokphon, chairman of the Fishermen's Association of Thailand, reported that Malaysian officials had apprehended three more Thai fishing boats outside Malaysian territorial waters and, threatening them with weapons, had forced them into Malaysian territorial waters. They then fired on and destroyed the boats and arrested 70 of the crew. These actions by Malaysian officials were intentionally harmful to Thailand; they wanted to harass and arrest Thai fishing boats, and the effect of Thai property was as if they were pirates.

The Thai government should vigorously respond to or protest these actions of Malaysian officials because this was not the first such action and they should not accuse Thai fishing boats alone of trespassing in the territorial waters of another country. And the Thai navy should watch over the fishing boats in the Gulf of Thailand and not allow these pirates to sieze Thai fishing boats in international waters wherever they want.

As for talks about cooperation in fishing with Malaysia, this is too much to hope for because Malaysia has shown by its behavior that it does not want good relations with Thailand all the time. It is important that the Thai government and people respond to these Malaysian actions to show that Thailand does not depend on Malaysian territorial waters for food. If our government is conciliatory, the losses of lives and property will continue.

Editorial Asks Defense Against SRV Stand

Bangkok BAN MUANG in Thai 25 Nov p4

[Editorial: "Thai Rights to Territorial Waters"]

[Excerpt] A spokesman for the Foreign Ministry, Mr Sawanit Khongsiri, and Mr Suchinda Yotsunthara, head of the Department of Treaties and Law, together announced that Thailand did not accept Vietnamese claims to historic territorial waters and the establishment of a boundary line in the sea marking the extent of the territorial waters announced by Vietnam because these are in violation of international law, intrude into Thai territorial waters in the Gulf of Thailand, and claim the whole Vietnamese peninsula. Thailand has made inquiries about opening talks with Vietnam about the problem but Vietnam claimed that it was not ready to talk about the problem of international waters.

The attitude of the Thai government on these territorial waters should be made clear to the people of the world and not announced in vain--not even if this were reported to the secretary general of the United Nations so that the members would be officially informed--because the Vietnamese declaration on the territorial waters, which is illegal according to international law, has caused great trouble and many losses for the Thai people and will cause even greater losses in the future in the event that the historic territorial waters of Vietnam are extended into the Gulf of Thailand.

The government should protect Thailand's rights to its territorial waters and to international waters for fishing and for exploiting the resources under the sea; the government is doing nothing these days to demonstrate its just rights to the other side and to abolish historic territorial waters not recognized by international law. The government should show some resolve in proclaiming its territorial waters and should resolutely protect its interests in order to show that we do not concede to the power or the claims of Vietnam. If the government is timid, one day the territorial waters of Vietnam will be extended to the Phrasamut Pagoda.

Songkhla Grounds Nearly Wiped Out

Bangkok MATICHON in Thai 18 Nov 85 p2

[Article: "The Fish in the Songkhla Thalesap Lake Nearly Wiped Out--Blacklist Made of Those Using Electric Shock To Catch Fish"]

[Excerpt] Mr Surintha Patthamakhom, deputy head of Sathingphra District, Songkhla Province, informed MATICHON that there are many fishermen from Patthalung Province and from Songkhla Province who are using an electric short circuit to catch fish in Songkhla Thalesap Lake. This is a serious violation of fishing regulations; it destroys a national resource, fresh-water fish, and makes this resource harder to catch each day since the fishermen take just the large fish among those caught and the small ones are wasted. Sometimes they kill their fellow man.

For this reason officials of Sathingphra District sent a letter to their superiors in Patthalung Province so that they would be authorized to prohibit fishermen from using these devices and also sent a letter to the headmen of the localities along the lake shore insisting that they report to district officials the names of those who make a living using electric current devices and that they have police officials make inspections in the district's waters.

Mr Surintha also said that in the past Songkhla Lake had been the largest and most plentiful source of fresh-water fish in Thailand but now the fish in the lake are disappearing because of the actions of those who want to fish easily and who do not think of the loss for the future.

Disputes with Burma Discussed

Bangkok SIAM RAT in Thai 14 Nov 85 p5

[Article by Seri Kaeokham: "How Can the Problem of Accusations That Thailand Is Trespassing and Fishing in the Territorial Waters of Neighboring Countries Be Solved?"]

[Excerpt] When the problems of fishing are discussed, Thailand is the country most often singled out by neighboring countries because Thai fishing boats are always being accused of trespassing in territorial waters and fishing in areas under neighboring countries' sovereignty. An incident of this kind appears in the news at least once a month. It is felt to be a big story which the Thai should not overlook. What are the facts of this situation in which Thai fishing boats are accused of violating the territorial waters and fishing in the sovereign areas of neighboring countries? We were not able to find out because legal principles do not clearly specify the size of the sovereign areas of the sea for each country and because there are no markers as there generally are on land borders, although the marine laws of some countries specify 12 miles and some 16 miles and some also proclaim a larger economic areas extending 200 miles.

In this situation it is difficult for countries involved in incidents to find a reason to accuse Thailand of violating their territorial waters. If they are caught close to the shore of their country it is another matter because that is clearly wrong and we intend to resist those actions. I feel that these are injustices which Thailand must concede. While actions such as these have been happening, what has been happening to our country and people? At the least, the lives, property, money, and valuables of Thais have been lost, and year after year these losses are estimated to amount to many hundreds of

millions of baht per year. Another loss is that of the spirit--it has caused some to lose their spirit; there are those who have been jailed and have died because their offenses were not clear-cut.

At this point let us look at the sea next to the Indian Ocean. The countries which most often accuse us of violating their territorial waters are Malaysia and Burma. Burma now uses a strict code in dealing with cases of foreign fishing boats entering and fishing in Burmese territorial waters: the jail sentence has been increased from 2 to 14 years. Burma and Thailand have been opponents for a long time. There have been periods when they fought back and forth, sometimes losing and sometimes winning; for example, in his time Prince Phra Naresuan fought on elephant with the Buremse Crown Prince, whom he decapitated and who fell under his elephant.

The author used to live in Ranong Province next to the Burmese border and used to accompany village elders to ransom Thai fishermen who had been siezed by Burmese officials. The geology of the territorial waters of the Union of Burma to the southwest of Burma is such that the sea is dotted with hundreds of rocky islands which are ideal for shrimp, shellfish, crab, and fish. The reason that the fish go to live in these shoals is not because of the natural setting but because they are not fished here. There are others reasons: for example, if we turn to the map of Thailand along the shore of the Indian Ocean especially in Ranong Province, there are almost no fishing areas; there are a few but the areas is limited. There are several hundred fishing boats at Ranong. If they were to fish in these areas, I think they would go bankrupt because they could not catch fish and the fish which remained would all flee for safety in Burmese territorial waters. Thai fishing boats have to fish in international waters, or they may prefer sometimes to fish very close to the territorial waters of neighboring countries such as the sea just outside the territorial boundary of Burma because if there were a monsoon storm the Thai fishermen would be able to bring their boats quickly to the small islands in Burmese territorial waters for shelter. This is something we reciprocate on, and it would not be considered a violation of the territorial waters of a neighboring country--it would be forgiven.

In addition to the fish which are found in this area in greater abundance than other places and which are an attracting for neighboring countries such as Thailand, Burma is underdeveloped in fishing, and the Burmese are generally more apt to eat freshwater fish. Their fishing equipment and technology are not up to date. The fishing boats they use in this area are of modest size and little power. Since their country has not developed much in fishing and Burmese military officials control the territorial waters strictly and punish severly, the incidental protection given the fish has had good results; there are generally many more fish then elsewhere, to the point that it has become an experimental fishing station for neighboring countries such as ours.

If one looks at this another way, and if we do not take the marine resources in these areas near the territorial waters of a neighboring country to develop our economy in food and protein, these marine animals will get old and die naturally without doing anyone any good.

These complex problems are not something we can ignore in the future; they are government-level problems on both sides. Since we are at a disadvantage in resources which have been used up over the years, we should try to set standards and quickly come to an agreement and a treaty on cooperative fishing with our neighboring countries in order to overcome the problems of violations of the territorial waters of neighboring countries in the future and to end our food problem.

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CSO: 4207/99

THAILAND

TAK ARMS BORDER CIVILIANS; ILLEGAL LAO IMMIGRANTS NOTED

Chiang Mai THIN THAI in Thai 8 Jul 85 pp 1, 12

[Unattributed report: "Tak Arms Border Civilians"]

[Excerpts] Civilians are being armed to help the military along the border.

A report from Tak Province stated that Tak has sent volunteers to help the military and Border Patrol Police prevent foreign troops from crossing the border and using Thai territory as a base from which to attack the enemy.

Mr Kat Rakmani, the governor of Tak Province, stated that volunteers were sent to provide support because the Burmese government had given the Thai ambassador to Burma a note stating that Karen forces are using Thai territory as a base from which to shell Myawadee in Burma.

The governor of Tak Province stated that investigations have not found any evidence to support Burma's claim that Karen forces are using Thai territory as a military base. But because the Rangoon government suspects that, we have to send volunteers to help the military and Border Patrol Police prevent any incursions and erase any doubts that others might have. The province has armed villagers in 21 villages located along the Thai side of the Moei River. Soldiers patrol the area.

At the same time, Maj Gen Yutthana Rupkhachon, the head of CPM [Civil-Military-Police Unit] 34, which is responsible for opposing military incursions in Tak Province, said that 40 Lao who entered the country illegally through Burma have been returned to Burma. Maj Gen Yutthana said that these Lao came from Vientiane, which is separated from Burma by Thailand. They traveled from Vientiane to northern Burma, ending up west of Thailand, a very long trip. Burmese and Karen forces forced them to leave the area and so they entered Thailand. They stayed at the border village of Ban Mun Ruchai, where they worked in the fields for 30 baht a day. But they had to be expelled because they had entered the country illegally.

11943

CSO: 4207/113

THAILAND

EDITORIAL QUESTIONS SIHANOUK SINCERITY

Chiang Mai THIN THAI in Thai 30 Aug 85 p 3

[Editorial: "Democratic Kampuchea"]

[Text] Today, Prince Norodom Sihanouk, the president of Democratic Kampuchea, will meet with Prime Minister Prem Tinsulanon at the Government House. They will undoubtedly discuss Vietnam's invasion of Cambodia, which is still occupied by almost 200,000 Vietnamese troops. During last year's dry season, Vietnam launched strong attacks against the Khmer coalition, including the KPNLF of Mr Son Sann, the prime minister of Democratic Kampuchea, the Khmer Rouge of Mr Khieu Samphan, the vice president of Democratic Kampuchea, and the Sihanouk faction.

The Vietnamese attacks almost crushed the three Khmer resistance groups. In particular, Vietnam smashed the Khmer Rouge's bases in the Phnom Malai mountains, bases which the Khmer Rouge had held for 5 years. The Khmer Rouge have been forced to change their tactics. In short, the Khmer coalition groups do not have any secure bases or fixed headquarters. Thus, there are doubts about whether Democratic Kampuchea will be able to maintain its seat in the United Nations even though there is great hope of this because of the support given by ASEAN and the Free World countries.

Prince Sihanouk said that Vietnam is lying when it says that it will withdraw its troops from Cambodia by 1990. He said that they will leave in name only. But the troops will remain. Because by that time, the Vietnamese troops will have become Cambodian citizens. This is a very worrisome matter. Vietnam, in the name of Cambodia, will have expanded to the Thai border.

It will be difficult for Prince Sihanouk to obtain much support because of his past actions. When he was still in power, he announced his opposition to the United States and openly sided with Vietnam. He went so far as to treat Ho Chi Minh, the Vietnamese leader, like an elder relative. He announced his opposition to Thailand and severed diplomatic relations with Thailand. And a short time later, he severed diplomatic relations with the United States. Even though he seems to have changed now, those in political and diplomatic circles feel that this is because he has no other recourse. If he is given support and grows stronger, he may well turn against us again in the future.

It is difficult to believe Prince Sihanouk. Recently, he asked for help from the CIA, apparently forgetting that he had once written a book about his war against the CIA. In that book, Prince Sihanouk lashed out at the United States and charged that Thailand had invaded Cambodia in the past. But Thailand has never invaded anyone; it has been Thailand that has been invaded. At present, while the Thai people may sympathize with Prince Sihanouk, we can't help but question his sincerity.

11943

CSO: 4207/113

THAILAND

EDITORIAL VIEWS POL POT DEPARTURE FROM KHMER ROUGE LEADERSHIP

Chiang Mai THIN THAI in Thai 7 Sep 85 p 3

[Editorial: "Mr Pol Pot"]

[Text] A very interesting piece of news about the Khmer coalition is that Pol Pot, the leader of the Khmer Rouge, has stepped down from his position as commander of the Khmer Rouge army. This was first reported by the Khmer Rouge radio and then disseminated by the newspapers and news agencies. The Khmer Rouge said that he had stepped down as commander because he had reached the age of retirement. He was replaced by Mr Son Sen, the minister of defense. Mr Pol Pot has been appointed director of the Defense College.

This news has spread very quickly, and observers have made various comments. Most feel that he resigned because of the coming UN general meeting. Cambodia's UN seat is very important. At present, this seat still belongs to Democratic Kampuchea, that is, the anti-Vietnamese Khmer coalition. Every year, Vietnam tries to secure the seat for the Vietnamese-backed Heng Samrin faction in Phnom Penh. But so far, it has not had any success.

Observers have noted that this dry season, Vietnam has launched heavy attacks on the Khmer coalition bases. The Khmer Rouge headquarters in the Phanom Malai mountains near the Thai border has fallen to the Vietnamese. Son Sann's base near the Thai border has fallen to the Vietnamese. Whether the Vietnamese succeed in smashing Prince Sihanouk's base at Tatum is unimportant because that is just a small base.

Because of this, the position of the government of Democratic Kampuchea has begun to crumble. At the coming UN general meeting, Vietnam will claim that Democratic Kampuchea does not really exist because it does not hold any territory. Thus, Democratic Kampuchea had to find a way out by having Pol Pot resign. Many countries detest Pol Pot and regard him as a very ruthless person. During the years that he was in power in Phnom Penh, he killed a million of his fellow countrymen.

It is unclear whether Pol Pot has really resigned or whether he is still carrying out his duties as before. It is hard to believe that the number 1 man in the Khmer Rouge would resign just because he had reached the age of retirement. This is contrary to communist principles, which hold that people

can hold any position no matter how old they are. Even Prince Sihanouk doubts whether this is true.

During the UN general meeting at the end of this month, we will be able to see if other countries believe the Khmer Rouge's announcement about the retirement of Pol Pot. If Democratic Kampuchea can make them believe this, it will probably retain it's UN seat.

11943

CSO: 4207/133

THAILAND

EDITORIAL REACTS TO BURMESE KYAT DEMONETIZATION

Chiang Mai THIN THAI in Thai 7 Nov 85 p 3

[Editorial: "Burma Strikes Wildly"]

[Text] On 3 November, the Burmese government announced the demonetization of 20, 50 and 100-kyat banknotes. The Burmese government said that it took this action because the Karen army has been printing these three banknotes and using this forged money to purchase supplies and weapons. This has created problems for the people who live in remote areas. The Karen live along the Thai border, and the Burmese government can't maintain control there because this is a terrorist area. Villagers who have accepted this forged currency have discovered that they can't use it to purchase goods. And they could be arrested for possessing counterfeit currency. It isn't necessary to say how serious that could be. Obviously, it could be very serious. Otherwise, the Burmese government would not have announced the demonetization of these banknotes.

But the Burmese government does not intend to hurt those who hold these banknotes legally. People can go to the bank and exchange these for other bills during the period 11 November to 31 December.

Even though the reason cited seems to be a rather good reason, observers have noted that there was actually no reason to do this. Because the Burmese government does not have any evidence to support its charge that the Free Karen are forging currency. That charge is completely unfounded. Observers have said that the Burmese government actually took this action because it wants to destroy the Karen economy. Thus, it demonetized these banknotes because the Karen army has large sums of money in these denominations in its possession. It uses this currency to purchase consumer goods. Most of the goods are purchased from Thailand because the Karen live along the Thai border from Mae Hong Son Province south to Kanchanaburi Province. Few goods are available in Burma. They purchase almost all their goods from Thai merchants. The Karen are able to cross the border and make purchases. The merchants will sell to whoever wants to buy. Thus, the Burmese government has not hurt just the Karen. It has also hurt Thai who are making an honest living.

This shows the weakness of the Burmese government. Because it cannot defeat the Karen, it is raising a hue and cry and striking blindly, hurting Thai in

the process. The Burmese government should not punish the Thai who trade with the Karen. It should blame its own inefficiency and find out why it has not been able to defeat the Karen even though it has been 34 years since the Karen announced their intention of liberating their land. Even though the government sent a large force against the Karen at the beginning of this year, it could not suppress the Karen.

Thus, instead of gaining the sympathy of Thai, this action by the Burmese government has resulted in Thai hating the Burmese. The Thai people have not tried to destroy the Burmese government or waged a struggle against Burma. Trade is common along every border in the world. Such action will not be good for the Burmese government. All this will do is show the government's weakness.

11943

CSO: 4207/113

THAILAND

BRIEFS

OFFICIAL ON LAO INTRUSIONS--The Royal Thai Air Force [RTAF] will ask the Foreign Ministry to send a memorandum of protest to the Lao Government over frequent intrusions into the Thai air space by Lao MiG jet fighters, RTAF Secretary Air Vice Marshal [AVM] Sommot Sunthorawet said this morning. AVM Sommot issued the statement during a press conference at the Supreme Command to disclose the RTAF's work results during the period between 16 December and 15 January. He said the intrusions, clearly seen by people in Si Chiang Mai and Tha Bo districts of Nong Khai Province, took place while the MiG jet fighters were on training flights at Vientiane's Wattal Airport, about 2 kilometers from the Thai border across the Mekong River. The intrusions occurred while the aircraft were landing, AVM Sommot said. A protest note was sent to Laos on 15 November last year, but intrusions continued, indicating that the violations were intentional, he said. AVM Sommot said the RTAF had ordered Thai aircraft to shoot whenever they saw an intruding aircraft and will ask the Foreign Ministry to send a memorandum of protest to the Lao Government. [Text] [Bangkok BANGKOK WORLD in English 23 Jan 86 p 3] /9604

LAO TROOPS CROSS BORDER--Nan--Laotian troops crossed into Thung Chang district and briefly held a Thai villager last Sunday [19 January], Border Patrol Police said yesterday. Villager Phan Thaokham said he encountered the armed troops near the border. They questioned him about Laotian resistance and Thai bases before returning to Laos. [Text] [Bangkok BANGKOK POST in English 23 Jan 86 p 3] /9604

COUP SUSPECTS DENIED AMNESTY--Top officials in the Prime Minister's Office said yesterday that the government had no intention whatsoever of considering amnesty for the suspects now undergoing trial in connection with the 9 September attempted coup. They said that the Cabinet is in full agreement that there should be no amnesty requested because the case is already being considered by the court. [Text] [Bangkok BANGKOK POST in English 20 Jan 86 p 1] /9604

MEKONG COMMITTEE APPROVES PROJECTS--The Interim Mekong Committee has approved 93 projects which will require at least \$372.6 million in initial funding for the 1986 programme. Approval came during the 5-day 22nd session which ended yesterday at the ESCAP Headquarters in Bangkok. The committee

reviewed and approved the 1985 annual report which would be presented to the 42nd session later this year. During the session, the committee also considered the progress of a wide range of projects being implemented for the benefit of member countries which are Thailand, Laos and Vietnam. These projects include the development of the lower Mekong basin hydrologic network, the study of sandy soil for development and conservation, the study of stream discharge, the fish seed production center at Cai Be in the Mekong Delta, the construction of the Xeset hydropower project in Laos, and the Lower Nam Kam irrigation project in northeastern Thailand. [Text] [Bangkok BANGKOK POST in English 18 Jan 86 p 18] /9604

COMMITTEE ON QUEEN'S ILLNESS--On 10 December, the Office of the Prime Minister announced the appointment of a medical committee to treat the queen. The queen has had bleeding and a stomach disorder for approximately 2 weeks now. A medical committee examined her and found abnormalities in the lining of the uterus and in the functioning of the digestive tract. The following well-known people have been appointed to the medical committee to provide treatment: Dr Sem Pringphuangdaeo, chairman; Dr M.L. Kaset Sanitwong; Lt Gen M.L. Chinda Sanitwong; Lt Gen Atsawin Thephada; Dr Wongkunphat Sanitwong Na Ayuthaya; Dr Soemsak Phenchat; Dr Sabiang Siwannabun; Dr Soemsi Sanitwanon; Dr Duangduan Khongsak; Dr Sichitra Bunnak; Dr Somphon Bunyakhup; Dr Kasem Limwongkam; Dr Prachop Charuchinda; Dr Phloensi Charuwon; Dr Pradit Choenthaithawi; Dr Phuatsi Wattananukun; Dr Phensi Phutrakun; Dr Phungchai Ngamukhot; Dr Sukchai Chairiraphan; Col Choetchai Chiamchaisi; Dr Rungtham Latphli; and Dr Danai Sanitwong Na Ayuthaya. Administrative committee: the minister of public health, the under secretary of public health and the secretary to the Royal Household. Announced 10 December 1985. Gen Prem Tinsulanon, prime minister. [Text] [Bangkok MATICHON in Thai 12 Dec 85 pp 1, 2] 11943

MERCHANTS DISTRUST OF BURMESE CURRENCY--The new currency issued by Burma is worthless. Border merchants are distrustful because of fears that it will be demonetized. Also, there are reports of forged currency. Burmese merchants have to use their currency at home. On 8 December, a reporter in Mae Sot District, Tak Province, reported that border merchants in Mae Sot District are refusing to accept 75-kyat banknotes, which the Burmese government issued in place of the 100, 50 and 20-kyat banknotes that were demonetized. They are accepting only 25, 10 and 5-kyat banknotes, which can still be exchanged at the rate of 78-79 baht per 100 kyat. They refuse to accept this new banknote because they are afraid that history will repeat itself and that the government will demonetize this banknote, too. There are rumors that much money of this denomination has been forged. Besides this, the signature of an authorized person of the Burmese government does not appear on this banknote. Because of this, the Burmese merchants who purchase goods from the Thai side of the border have had to use their 75-kyat banknotes on the Burmese side. [Text] [Bangkok MATICHON in Thai 9 Dec 85 p 2] 11943

YOUNG TURK ADVISORS TO CHAMLONG--Maj Gen Chamlong Simuang, the governor of Bangkok, signed Order 4271/1985 on 19 December appointing the following to serve as advisors to the governor of Bangkok: Col Prap Chotkasathian, chairman of the advisory committee, and Mr Prasitthi Khanurak, Col Kampanat Ketwiriyakan, Mrs Chawani Chuangphanit, Col Buan Ngamkasem, Mr Seri Phattanaphanchai, Col Phanlop Punmani, Mr Ruangwit Chotwithayathanit and Cpt Damrong Yuksodisai, members. This went into effect on 20 December. Among these

appointees are former members of CRMA Class 7, that is, classmates of Maj Gen Chamlong. The former young turks who participated in the 1-3 April 1981 rebellion are Col Prap, Col Buan, Col Kampanat and Col Phanlop. Maj Gen Chamlong said that the advisory committee will be responsible for investigating matters and looking after things in the zones. Whenever a problem arises, they must make recommendations to the governor. Each person will carry out tasks and be paid a salary of 7,000 baht a month. A reporter asked about past statements that he would not bring in former young turks. Maj Gen Chamlong said that we need such people. Why do we have to set restrictions? He feels that they can do a good job. He will take responsibility for them. There shouldn't be any problem. If there are good people who can help the country, we should use them. [Text] [Bangkok MATICHON in Thai 20 Dec 85 pp 1, 16] 11943

CROWN PRINCE RANK, PROTOCOL--The proper rank of the Crown Prince, who is presently on a visit to Australia, is special colonel. This is because his position as commander of the King's Guard Mahatlek Infantry Regiment is a slot for a special colonel who wears the crossed mace insignia on his collar. This matter of "rank" has caused problems of protocol for the Australians during his visit. In Thailand, we do not consider a special colonel to be a general. However, special colonels are entitled to wear the crossed mace insignia just like generals in order to distinguish them from ordinary colonels, who have to wear service and branch insignias. But the Australians use the rank of brigadier-general. That is, the next grade up from colonel is brigadier-general. But here, the next step up from colonel is special colonel. The United States does not use the rank of special colonel either. They call the person "colonel" or commander, knowing that he is at the level of colonel. But Australia does not think that this is proper because the person is higher than an ordinary colonel. Because a special colonel is the equivalent of a brigadier-general, they feel that he should be treated as a brigadier-general. Thus, on the Crown Prince's trip to Australia this time, besides receiving him in his capacity as the heir to the throne of Thailand, Australia has also received him as a "general." [Text] [Bangkok LAK THAI in Thai 26 Dec 85 pp 6, 7] 11943

REPORT ON QUEEN'S ILLNESS--The medical committee attending the queen has recommended that she have her uterus scraped in order to treat her anemia. This will be done on 13 December at Chitladanhothan Hall. The government appointed 22 skilled doctors to the medical committee. On 11 December, the Bureau of the Royal Household issued a second statement on the queen's condition. The statement said that the "queen is slightly anemic. The medical team has recommended that that she have her uterus scraped on the morning of 13 December at Chitladanhothan Hall. The Bureau of the Royal Household will place visitors' books at the Grand Palace and at Chitladanhothan Hall at the Dusit Palace." Prior to this, Gen Prem Tinsulanon, the prime minister, signed a prime ministerial order establishing a medical committee to treat the queen. The order stated that the queen shows signs of suffering from anemia and has had a stomach disorder for approximately 2 weeks. The medical committee that examined her felt that there is something wrong with the lining of her uterus and with the functioning of her gastrointestinal system. Thus, a committee of well-known doctors has been appointed to treat her. [Excerpt] [Bangkok THAI RAT in Thai 12 Dec 85 pp 1, 2] 11943

MILITARY AFFAIRS AND PUBLIC SECURITY

DO SON DISTRICT IMPROVES COASTAL DEFENSE STRUCTURE

Haiphong HAIPHONG in Vietnamese 4 Oct 85 p 2

[Article by Dang Ngan, COASTAL DEFENSE newspaper: "Do Son District Surveys Coastal Defense Disposition, Develops Mass Movement To Protect Security of Fatherland"]

[Text] In order to strengthen security protection and resist the multifaceted war of sabotage of the enemy, coastal defense units 34 and 36 have served as a staff for the district party and people's committees of Do Son District in conducting a survey phase of the coastal defense disposition; utilizing the area of Station 34, which includes the town of Do Son, the two cooperatives of Tan Thanh and Hai Thanh, and Thuy Giang Hamlet of Hoa Nghia Village, as a test case for gaining experience to develop and implement in other villages.

The survey consisted of the various aspects related to security and national defense in the local area.

Through 3 months of urgent achievement, the survey phase produced good results, supporting professional requirements, raising the vigilance of the people, and promoting the mass movement to protect the security of the fatherland. Coastal Defense Station 34 has been able to compile a diagram with each residential structure and to grasp the local situation consisting of 3,189 households with a population of 17,024; to inspect all 497 ships and boats; to classify the political and criminal elements; and to ascertain the function, mission and roster of cadres, workers and civil servants of state agencies located within the district. The district public security forces joined the coastal defense station in assisting party committee and primary level administrative echelons to strengthen and streamline mass organizations; and to establish an additional 15 people's security teams in the hamlets and fishing units operating in all three directions, high seas, coastal and shore. Of special interest, assault youth forces were organized to protect the security of the fatherland on nine fishing boats regularly operating on the open sea.

On the basis of the situation acquired, the district public security forces and the coastal defense station proposed methods to the district party and people's committees of promoting achievement of coastal defense provisions and making the maintenance of regulations on protecting social order and security in the recreational area a procedure.

Thanks to this, incidents adversely affecting order and security have declined by 70 percent compared with the same period last year. Whenever they encounter

anything doubtful while fishing at sea, the people inform the coastal defense station or the public security forces. Recently, 44 year-old Dinh Xuan Tieu spotted a number of strange items floating in the water and promptly informed the coastal defense station. When Hoang Ginh Long noticed a foreign ship following the wrong heading into port, he also promptly notified the coastal control station to handle the situation. Contacts made to hire or steal vessels for an escape to a foreign country have ceased since the beginning of 1985.

The disposition of security, as well as that of the coastal defense combat villages, after the survey phase has become steadily stronger.

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MILITARY AFFAIRS AND PUBLIC SECURITY

KIEN AN DISTRICT IMPROVES SECURITY PROCEDURES

Haiphong HAIPHONG in Vietnamese 4 Oct 85 p 2

[Article by Van Luyen: "Kien An District Public Security Forces Intensify Inspection, Control Activities"]

[Text] The Kien An District public security forces have recently intensified their inspection and control activities and have uncovered 15 thefts of property belonging to the state and private citizens, recovering 6 cubic meters of lumber, 600 kilograms of cement, 1 cassette player, 3 bicycles, 2 ceiling fans and 525 kilograms of grain. With transformation concentration and prosecution records also urgently improved, public security forces in the town of Kien An have discovered 58 households in violation of household registration management regulations and have simultaneously brought seven criminal defendants up for review before people's teams.

Continuing elimination of social ills in coordination with concerned sectors, the public security forces have educated those engaged in the superstition trade and through inspection have confiscated 55 kilograms of sacrificial articles.

Thanks to methods of active prevention, the political security and social order and safety situation within Kien An District has been maintained.

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ECONOMIC PLANNING, TRADE AND FINANCE

HAIPHONG APPREHENDS ILLEGAL GASOLINE, OIL PEDDLERS

Haiphong HAIPHONG in Vietnamese 4 Oct 85 p 4

['Market Management' column by The Manager: "Number 94"]

[Text] Gasoline and oil are strategic goods under unified state management. However, there are presently in the city a great many illegal but extremely open gasoline and oil points. Following are a few examples:

At the intersection of Tran Phu and Tran Binh Trong (opposite a state gasoline tank), there are always dozens of gasoline and oil peddlers carefreely greeting customers on the sidewalk. If the customers wishes to buy gasoline, kerosene or diesel fuel, it is all available here. Customers purchasing 1 or 2 liters for a Honda or even filling up the tank of a car are all fully "supplied."

A similar situation is also occurring in roadside shops at the end of Lach Tray Street. The only difference is that the peddlers here sit right in front of their homes with a few bottles of gasoline or oil alongside to serve as a sign. When customers make a large purchase, they restock from inside and their source of gasoline and oil is apparently inexhaustible because in these focal points, anytime there are buyers, the sellers are bustling.

Where are they getting their gasoline and oil and why have the market management forces continued to ignore these dishonest monopolists?

The Manager has learned that the market management forces of An Hai District have conducted urgent inspection and control of illegal gasoline and oil sales, and have recovered a fairly large amount for the state. Specifically:

--They discovered and tracked down a number of individuals specializing in the gasoline and oil trade along Route 5 and confiscated more than 10,000 liters.

--They inspected the home of Nguyen Van Th., the outside a sundries shop but the inside containing dozens of barrels of gasoline, and confiscated 3,000 liters.

When nabbed, the illegal gasoline and oil peddlers were forced to confess that they had purchased their goods from tankers moored alongside Route 5.

The Manager hopes that the market management forces further intensify their operations on the gasoline and oil front in order to protect the strategic material sources of the state.

ECONOMIC PLANNING, TRADE AND FINANCE

COUNTERFEIT BEER BREWERS ARRESTED IN HAIPHONG

Haiphong HAIPHONG in Vietnamese 5 Oct 85 p 4

['Market Management' column by The Manager: "Number 95"]

[Text] The market management unit of three inner city wards recently caught many individuals redhanded in the brewing of counterfeit beer. Below are a few of these cases:

--The market management unit of Le Chan Ward caught Tran Thi D. of No. 3, Lane 67, To Hieu Street, in the act of brewing counterfeit beer. The evidence consisted of plastic 10-liter containers of Truc Bach and Hanoi brand draft beer, and a beer bottle capping machine.

--The market management unit of Ngo Quyen Ward on 3 October caught Nguyen Thi V. of Office 12, Third Floor, Staircase 5, Building A8, Van My Street, in the act of brewing counterfeit beer. Included in the evidence was the fact that she was brewing the beer at the time. Among the items confiscated were 62 capped beer bottles bearing the Truc Bach brand, 125 empty bottles, 3 capper mortars, a half tael of carbonate, 2 taels of Saigon, Truc Bach and Hanoi brand labels, 3 kilograms of cap seals, etc. This is the third time that V. has committed this offense. (The first two times, she was fined 15,000 dong in old currency each time; this time, the fine was 1,500 new dong).

Those brewing counterfeit beer often use draft beer with additional carbonation and foam. In the experience of the Municipal Scientific and Technical Committee, this type of beer is harmful to human health.

It is clear that the brewing of counterfeit beer by those making an illegal living not only disrupts the market but of a greater danger, adversely affects human health. Public opinion demands that the counterfeit beer brewers not only be fined but that they also be prosecuted before the law.

In this instance, The Manager hopes that the market management forces intensify their operations above in other fields such as bicycle spare parts which presently also have many counterfeit items causing great losses to the consumer and to the raw materials and supplies of society.

ECONOMIC PLANNING, TRADE AND FINANCE

GETTING RESULTS IN ECONOMIC DEVELOPMENT OF COASTAL REGION

Hanoi NHAN DAN in Vietnamese 11 Nov 85 pp 1,4

[Editorial]

[Text] The coastal region of our country, including the sea and the coastline, is a region of strategic socioeconomic significance to the entire nation, and is of strategic significance to national security and defense. It is a region of great potential for long-term development of this land and this nation. The coastal economy, which includes the marine products economy, has an important, special role, with many and varied special features, a short production period, and big results fast. In addition to its direct economic value, the coastal region holds potential for defending and protecting the land and safeguarding our way of life, customs, and scientific research. There is much potential in the coastal region for developing, in addition to fishing and agricultural efforts, such sectors as light industry, handicrafts, industry, transportation and communications, construction, commerce, and tourism.

The coastal region of our country, for a long time supporting many occupations, is a place that directly produces a large volume of marine, agricultural, and forestry products and rare special products; it has widespread networks of production organizations and such other operations as purchasing and processing, distribution and circulation, supply, and export.

There have been many advances in the economy of the coastal region, especially in marine products. A number of coastal districts have shown initiative and aggressiveness in the first steps of switching from a subsidized, bureaucratic management system to one of economic accounting and socialist business, with practical economic results. Nevertheless, the great potential and role of the coastal region are not yet being activated. The sea, land, and labor of the coastal region are not yet being well used, and sea resources are not being rationally exploited. Production forces in the coastal region are developing too slowly. Productivity is still low for cultivation and exploitation of marine, forestry, and agricultural products. Production and management of cooperatives and production collectives have not yet stabilized, and effectiveness is low. There are still many backward customs and habits in the renewed cultural life of workers in the coastal region.

For the immediate and long-term future, we will always consider production the cornerstone. One of the important conditions for success in regulating prices, wages, and money according to Resolution Eight is for the entire party and all the people to concentrate efforts on developing production, producing many goods society, and constantly increasing productivity and reducing costs. Developing agricultural, forestry, and salt products of contributes to the task of producing many goods for society. In the process of organizing production, a rational production orientation, and economic structure must be set for the coastal region. In developing marine products, balance must be achieved between extraction and cultivation and between export and production of goods in response to domestic needs. Coordination must be increased among combined production and business organizations in coastal regions, between sea and seashore production, within each occupation, installation, and shipping unit, and among marine products, agricultural, forestry, industry, commerce, information, and import/export sectors. Once new production relations have been established in the coastal region, there must be a strong switch to economic accounting and socialist business, and production development must be pushed.

On the agricultural production front, which includes fishing, agricultural, forestry, and salt production, the right of the working people to collective ownership must be developed, and the three revolutions--the key one among them the revolution in science and technology--must be simultaneously conducted in order to effectively utilize the great potential for marine products, agriculture, afforestation, and building the new life of socialism in the rural sector of the coast. From the very outset in the formation of a fishing, agriculture, and forestry structure, the processing industry, storage, and transport are primary. With the aim of good utilization of labor in the coastal region, business orientation must be set on joint enterprises, and marine products must be the principal sector for coordinating the development of efforts.

Socialist reform and the construction of new economic relations take many forms and are on many levels and scales, from low to high and small to large, as appropriate to the population situation and the needs of production, with the aim of achieving high economic effectiveness. Economic development and market management in the coastal region require appropriate expansion of the material and technical base, construction of public works, and construction of towns, villages, and hamlets along the coast and on islands with a fine, wholesome material and cultural life devoid of superstitions and backward customs.

Building economic development in the coastal region is a big project, demanding good leadership from party echelons in coastal areas and good management from government echelons, and requiring that the revolutionary movement of the working people control the coastal region. Appropriate policies are required on prices, bank loans and withdrawals from the bank, obtaining supplies and raw materials, etc., in order to preserve local and basic-level initiative in the coastal region so that they switch economic activities to socialist business accounting, effectively exploiting the

economic potential of the coastal region. Policies that have originated in a subjective way, out of keeping with production realities and the lives of the people, cause difficulties for production as well as daily life.

Implementing Resolution Eight of the Central Committee of the Party and switching economic management to economic accounting and socialist business will enable localities and the basic level in the coastal region to develop the economy of the coast and make a significant contribution to our country's socialist industrialization.

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ECONOMIC PLANNING, TRADE AND FINANCE

BRIEFS

"INSIDE" PRICES--Some standard-of-living committees, snack bars, and consumer cooperatives of a number of agencies and enterprises are acting incorrectly. The standard-of-living committee of one sector's board bought from export agencies 7 tons of foodstuffs and many new consumer goods imported from abroad and sold them to cadres and workers at an "inside" price. This results in the the state losing some import and export goods. Another sector's standard-of-living committee was given several hundred video recorders to sell to workers and civil servants at an "inside" price. There were some who bought five video recorders on the pretext of buying one for each member of the family! [Text] [Hanoi NHAN DAN in Vietnamese 8 Nov 85 p 2] 9830

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AGRICULTURE

BRIEFS

FAMILY CATTLE RAISING--The letter to the editor printed in the 1 November issue of NHAN DAN was accurate: the number of cattle being raised is rapidly increasing in many localities, thanks to good implementation of state policy. Some localities do not limit family sideline animal husbandry, often making loans to purchase cattle, creating pastures, and providing some of the straw and paddy needed for animal husbandry. Yet many localities, cooperatives, and state farms, still limit the number of cattle raised by families for fear of infringement on collective animal husbandry. In many places families raising cattle are charged such fees and taxes as land and roadway fees and grassland and pasture taxes. What is needed is for each village, cooperative, and state farm to calculate the amount of feed in their territory in order to develop plans for increasing the number cattle belonging to the collective as well as encouraging and guiding families to develop cattle-raising on their own. To do this they must zone separate grasslands and pastures for the collective and families, avoid conflicts, and look on family animal husbandry as an element in the animal husbandry of the cooperative. The unreasonable fees and taxes mentioned above must be abolished. In the text of the policy on raising cattle of the Council of Ministers, there is no article requiring that cattle raisers pay taxes. [Text] [Letter to the editor from Dang Tran, of the Ministry of Agriculture] [Hanoi NHAN DAN in Vietnamese 8 Nov 85 p 2] 9830

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HEAVY INDUSTRY AND CONSTRUCTION

DEVELOPMENT OF CONSTRUCTION MATERIALS IN MEKONG DELTA

Hanoi TAP CHI HOAT DONG KHOA HOC in Vietnamese Nov 85 pp 25-28

[Article by Nguyen Vinh: "Development of Construction Materials in the Mekong River Delta"]

[Text] Resources for the production of construction of materials in the Mekong River Delta are unevenly distributed, the shortage of construction materials is extremely serious, and housing is in a parlous state. In the plan for 1985 and for subsequent years, development of construction materials for the Mekong River Delta is intended to support construction of cultural, public health and welfare projects, housing, enterprises for processing of agricultural and marine products, storage facilities, drying terraces, roads, bridges, retail outlets, etc. The specific balanced plan for the production of cement, lime, rock, bricks for housing structural parts, cottage metallurgy, construction, etc., has been prepared. Measures for organization, assignments and implementation for the production of equipment, the development of sources of raw materials, providing sources for capitalization and management assignments has been outlined reasonably and in detail.

Resources for the production of construction materials in the Mekong River Delta are unevenly distributed. Approximately 500 million tons of limestone are concentrated in the Kien Luong region of Kien Giang Province; in eastern Nam Bo, limestone has recently been discovered at Ta Thiet and some is found in Dong Nai Province. Rock for construction is mainly stable granite capable of sustaining 1,500-1,800 kg/cm². However, it is found only in An Giang and Kien Giang Provinces at Sap and Sam mountains, Bay Nui, Hon Soc, Hon Me, etc. Concrete is found only at Phu Quoc.

Yellow sand is found mainly at Hong Ngu District in Dong Thap Province with some at Bai Dau and Binh Ca in Kien Giang Province and along the Vam Co Dong River in Long An and Tay Ninh Provinces.

Black sand can be found in scattered locations along the course of the Tien and Hau rivers usually at depths of 3-5 meters below the water level.

Brick and tile clay can be found in many locations but good tile clay is all found in high yield rice fields. Nearly all the clay in the Mekong River Delta has a high salt and alum content and must be treated prior to shaping if good quality bricks and tiles are desired.

Eastern Nam Bo has many minerals and large reserves of such materials as building granite, gravel, yellow sand and clay hills with reserves of several million cubic meters of bentonite, kaolin, and diatonite as well waterpower. The provinces of Eastern Nam Bo can meet their own needs for construction materials and are a source which can supply construction materials for the Mekong River Delta.

I. The Construction Materials Production Situation and Capabilities Prior to and 10 Years After Liberation

During the two wars against the French and the Americans the countryside of the south was devastated and razed. Not only was construction lacking in rational planning but life among the people was a hand-to-mouth existence. Ten years after liberation of the south agricultural and industrial production has grown and society in the rural area has been transformed. However, at the district and village level, there is a shortage of barns, storehouses, day-care facilities, kindergartens, schools, retail outlets, clinics, bridge and culverts across waterways, welfare installations, and other infrastructure components. When they do exist they are jerry-built or lack unified planning.

The construction forces and construction materials installations have no plan for development of various types of materials such as brick, tile, lime, rock, sand, gravel and the scope and level of development has not been clearly determined for districts, towns and villages. No thought has been given to the reform and management of private brick kilns in order to control production. Central level installations and the Ministry of Building have not extended management of the production sectors from the central level down to the localities and management of resources is not yet centralized or unified.

During the past 10 years the material base in the province has developed slowly. Production has only now reached over 350 million bricks and nearly 30 million tiles, 450,000 m³ of rock, 600,000 m³ of yellow sand and 750,000 m³ of black sand. Insofar as cement is concerned, in addition to the 250,000 tons of cement provided by the central level to the Mekong River Delta, the provinces of Kien Giang, An Giang, the 9th Military Region and the Binh Thuy installation of the Ministry of Communications and Transportation in Ho Chi Minh City are producing 15,000-20,000 tons per annum from a 50,000-ton output potential. Lime and adhesive materials which are widely used in socialist nations and the north of Vietnam are not highly regarded in the south. On

the other hand, lime production fails to meet consumer preferences in the south. Forty-eight old lime kilns in Kien Giang Province have not been fully restored. Six additional new integrated kilns with a capacity of over 10,000 tons per annum have been constructed in Long An, Dong Thap, Cuu Long and Tien Giang Provinces.

The shortage of construction materials in the Mekong River Delta remains extremely serious.

II. The Plan for Developing Construction Materials in 1985 and for a Number of Subsequent Years in the Provinces of the Mekong River Delta

Objective: In the 1985 plan and for a number of years thereafter we must concentrate on building infrastructural installations at the village level such as cultural, welfare and public health projects, a proportion of housing for the people and, specifically: storehouses, drying terraces, barns, day-care centers, kindergartens, schools, clinics, roads between villages and from villages to district capitals, bridges and culverts across waterways, small water conservancy projects, and reservoirs. We must gradually resolve the housing needs of the people.

At the district and province level we must build a number of installations for processing agricultural and marine products, state grain storehouses, a number of storehouses and drying terraces for cooperatives and production collectives, schools, hospitals, interprovincial roads, installations for production of construction materials, bricks and tile, grain retail outlets, general retail outlets, etc....

1. Production of cement, low level adhesives and lime

At present Ha Tien's cement production of 200,000-250,000 tons does not meet minimum requirements. As a result measures must be taken to transport 300,000-400,000 tons of cement and klinker annually from the north. By 1988 the Ha Tien Cement Factory will have been expanded and will be producing 1 million tons and current problems will be alleviated but klinker will still have to be brought in from the north. From 1986 to 1990, two ball mills in Hau Giang and My Tho with a capacity of 50-100 tons will be built in order to reduce the distance over which cement must be transported to consumer and to move loose cement in a rational manner.

At present the production capability of lime is limited to about 53,000 tons per annum. Forty lime ovens have just been restored in Kien Giang and 24 more must be restored from now to 1986 because this area is a source of limestone and peat.

The Ministry of Building can supply sufficient limestone to three lime producing installations in Ho Chi Minh City, Dong Nai, and the Ministry of Building's Construction Material Production Combine at Bien Hoa in order to reach an output of 20,000 tons per annum. Provinces located near limestone sources such as Minh Hai, An Giang, Hau Giang, and Dong Thap must fund the local construction of small, integrated lime ovens to achieve a production of 5,000-7,000 tons per annum for each province.

2. Production of stone, limestone and sand

The need for building stone is important and extremely urgent for construction, transportation and water conservancy. Stone reserves are limited. Quarrying is not systematic and lack planning. There is no division of labor or assignment of responsibility and there is no specific guidance resulting in many negative results. Therefore, there must be specific planning in exploitation and assignments as follows:

The Ministry of Building has full responsibility for funding capital construction at Khoe La Mountain to meet the planned output as approved by the state as a planned objective. These funds have been approved in order to supply: sufficient limestones for cement production; production of lime as an adhesive material; lime production needed in capital construction; lime production as fertilizer of industrial crops; acceptance of, exploitation, and management of Ba Hon Mountain (which the Chemicals General Department will turn over to the Ministry of Building); continued exploitation and obligation of meeting the needs of the Chemicals General Department in the production of calcium carbide, lime fertilizer; and other requirements.

The Kien Giang People's Committee must unify management of quarrying under the building sector and continue to exploit the Xa Ngach limestone mountain for small-scale production of cement and for production of lime to meet provincial needs. Lime which is not consumed by Kien Giang Province will be supplied to other provinces on the basis of economic relations. Measures will be taken to promote the exploitation of limestone at Hon Soc, Hon Me, and Non Bo Mountain to increase the amount of stone for building and road construction, for water conservancy work, and to supply Minh Hai Province construction needs on the basis of associational or joint business relations with each other. All limestone at Nui Com, Nui Trau, Con Nai Mountain, Soai Mountain, and adjacent areas is reserved for production of Ha Tien cement.

Units working limestone mountains that strike phosphate veins or pockets will dig out the phosphate and turn it over to the province for phosphate fertilizer production. Since there are no deposits of industrial phosphates in this area, they pose no problem of separate exploitation except for the Khoe La Mountain area on which the Ministry of Building and the province have reached an agreement.

Quarrying will cease at Sam Mountain, Chau Doc District, An Giang Province because of its scenic quality. An Giang Province and the Ministry of Communications and Transportation will direct funding to increase Sap Mountain production and to make up for production no longer available from Sam Mountain in order to meet the stone needs of An Giang, Hau Giang, Cuu Long and Tien Giang Provinces.

The An Giang Province People's Committee must convene a conference to be attended by the Ministry of Communications and Transportation, the provincial Cultural Service and Tourism Corporation, the Ministry of Building, and the Council of Ministers to establish a single plan for designating the boundaries for exploitation of Sap Mountain, and to ensure that the stone will be used

only by the province for producing housing foundations and posts in place of concrete and steel posts.

The An Giang Province People's Committee in conjunction with the Ministry of Building and the Ministry of Water Conservancy will establish plans and assign workers for the exploitation of the Bay Nui region.

The Ministry of Building and Dong Nai Province have prepared measures for sharing their capability in producing building stone and yellow sand with the eastern provinces to supply sufficient stone and sand for the provinces of Long An, Ben Tre, and Tien Giang.

Dong Thap Province People's Committee will expand yellow sand production at Tan Chau and Hong Ngu to supply sand to provinces having associational obligations with Cambodia, to exploit gravel at Kratie, and to increase the volume of gravel to replace stone in prepared concrete.

Kien Giang Province will organize exploitation at Bai Dau, Binh An, and Kien Luong to meet provincial obligations.

Long An Province will organize the early exploitation of sand and gravel in the headquarters of the Vam Co River near Tay Ninh Province.

3. Production of bricks, tile, and coatings

Markedly expand production of baked and unbaked brick and tile at the province and districts in response to the slogan "The State and People Working Together." Between now and 1990 each district and city will have three state installations for the production of 2.5 million baked bricks per annum each (each installation will employ one D.20 machine), two installations for the production of 2 million unbaked bricks per annum each (utilizing two R.52 machines), and one installation for the production of 2 million baked tiles per annum (employing one shaper and one five-face press). On completion of the 1986-1990 5-year plan each district will be able to produce 13 million bricks and 2 million tiles per annum. Brick and tile craft cooperatives may be utilized but management must remain with the district. Do not create the situation where development of brick and tile production is managed by the village level but the village level construction installations continue to be managed by the district which controls and distributes the product.

Each province must have a construction plan which within 2 to 3 years will produce 40-50 million bricks and 5-10 million tiles. To achieve this it is necessary to develop a number of 2.5-5 million brick centers consisting of one installation employing the D.20 machine, two installations for production of baked tile employing the D.20 machine, and one five-face press and two to three installations for the production of unbaked brick in combination with the production of structural parts for housing construction.

In the 1986-1990 plan the Ministry of Building will bring into production an enterprise for the production of 15 million bricks and 3 million tiles in Hau Giang Province to supply projects requiring high technology.

Each province must reorganize and transform private patterned brick concerns into cooperatives to serve as subcontractors whose whole output will be taken by the state. At the same time the state will build a new patterned brick installation producing 2 million bricks per annum.

Provinces having good quality earth may produce wide facing bricks, glazed bricks, ornamental bricks, unfinished sealing bricks, etc. An experimental installation must be constructed for production of cement-sugarcane-dreg pressed board. If this production is successful, these installations will be set up in areas with sugar mills to make full use of the sugarcane dregs. In addition, experimentation must also be conducted in production of pressed board from coconut fiber and cement in those areas where large quantities of coconut fibers are collected. The Institute of Construction Materials and the Institute of Construction Science and Technology will immediately assist with guidance in the production of steel mesh cement roofing and sanded cement roofing with dimensions of 40 x 80 cm or 1 meter by 40 cm, development of painted thatch roofing, etc.

4. Production of House Structural Parts in the Mekong River Delta

For each family to have 50 square meters of living space and 20 square meters for kitchen, bathing and latrine facilities together with a rainwater tank, drying terrace, deep water well, and barn, there is a minimum need for 7,000 bricks, 1,200 tiles, 0.5 cubic meters of lumber and 700-1,000 kilos of cement. Each year the state grants the Mekong Delta area about 4,000 tons of steel and 30,000-50,000 tons of cement for cement and steel posts production, and structural parts needed for the people's housing construction.

The above-mentioned materials supplied by the state are far below the requirements. Nonetheless, we must use the above-mentioned scarce materials rationally and effectively for the people's needs. From 1986, the construction sector will undertake the production of house structural parts for sale. The production of cement and steel posts will be assigned as a responsibility of the construction services of the individual provinces.

Completed products will be of two types:

--production of structural parts for sale by the item

--construction of housing under contract.

Both the sale of structural parts and the contracting for the construction of the complete house will be controlled by the provincial grain service under the guidance of the provincial people's committee.

At present the Ministry of Building has designed housing models for the rural area of the Mekong River Delta and the posts and structural parts necessary for the assembly of many different housing styles according to the desires of the purchaser.

The ministry is assisting the Cuu Long Province People's Committee and Construction Service to construct facilities for these structural parts production, and they have assembled seven houses for public viewing and for the public to offer suggestions.

Construction and Installation Corporation No 2 of the Ministry of Home Trade has produced panels, manufactured posts, cast structural parts, and a number of other materials. From 1986, the Ministry of Building will be directly assigned to manage and to provide guidance in the production of these goods.

5. Materials: bamboo, bead-tree and cajeput lumber

Stakes, bamboo, and bead-tree lumber to make posts, laths, and planks are extremely necessary. We must develop the widespread cultivation of bamboo, bead tree and cajeput among the people. Where the proper conditions exist the area must be zoned for cultivation of bead tree, cajeput, and bamboo.

6. Metal parts and machinery for construction

Metal parts for construction include locks, hinges, bolts, contact pieces, fuses, ceiling fans, lights, etc. Each year thousands of tons of these items are needed. However, installations for their production in the provinces are virtually nonexistent. Hau Giang, Long Xuyen, An Giang, Rach Gia, and Kien Giang have small industry and handicraft installations that produce these items but production is small and of low quality. However, if the provinces rearrange and reorganize production, they will be able to meet 60-70 percent of these items requirements.

To meet the above-mentioned needs the Ho Chi Minh City Industry Service must reorganize and rearrange production of its state-owned enterprises, joint state and private enterprises, and small and handicraft industry machine installations to produce these items in accordance with state standards, and sign joint contracts with the provinces of the Mekong River Delta.

III. Measures for Organizing Implementation

1. Equipment

For those items which will be produced in-country the provinces will specify their requirements to the Ministry of Building and the State Planning Commission. The Ministry of Building will consolidate these requirements and will work with the State Planning Commission to assign production and materials to the production installations.

For those items which are needed to increase output but which cannot be provided by the state and which require foreign exchange to be imported, the production installation, the provinces, and the cities must come to an agreement for repayment-in-kind (such as with Thien Thanh porcelain goods).

2. Raw materials

In 1986, the fuel needed for construction material production will be 160 million tons of peat and 50,000 tons of coal with which we will produce twice as many bricks and tile as in 1984.

There must be a policy for obtaining earth to produce brick and tile. A thorough examination must be made taking into consideration the interrelations of land reform, water conservancy, and bodies of water. If a small amount of land is needed for tile production, the district must refer the matter to the province for the provincial people's committees' decision within the limits of its competence. (In effect it lies in the authority of the province to supply earth for construction).

3. Capitalization

To capitalize construction materials production in the Mekong River Delta all sources of capital must be tapped (central government and local authorities capital, jointly held capital, and private capital). The central government will be the central point for capitalization of large installations through the Ministry of Building, Ministry of Water Conservancy, and Ministry of Communications and Transportation. The province and district must provide capital for the development of construction materials in the province. Initially it is estimated that in 1986 funds for capitalization of construction materials in the Mekong River Delta will be about 1.3-1.5 billion dong of which funds from the central level will be 1 billion dong to be concentrated on promoting construction of Ha Tien cement facilities, expanding major brick producing installations, and centralizing those installations. The provinces must provide capitalization funds in the amount of 30 million or more dong.

4. Materials

The state will provide explosives, petroleum fuels, and coal. The Ministry of Building will establish measures to provide explosives in an appropriate manner from a number of central depots in the south to quarrying installations in the south. The state will be responsible for allocation of explosives to the Ministry of Building.

Standards will be set for allocation of those materials which are subject to state allocation to meet the needs of central level sectors and localities. In the past establishing and maintaining these standards for the various sectors, ministries, and localities was the overall responsibility of the Ministry of Building but was very hard to achieve. Therefore, this has been changed and now the State Planning Commission will allocate supplies and equipment for production of construction materials and at the same time will integrate the construction material needs of the various sectors and localities after meeting with and arriving at an agreement with the Ministry of Building.

5. Assignments for Unifying Sector-wide management of planning

The people's committees of the provinces of the Mekong River Delta, eastern Nam Bo, Ho Chi Minh City, and the Vung Tau-Con Dao Special Zone have a plan for the development of construction materials in the second half of 1985, and also have set up a plan for 1986 (in May and June 1985). They then reviewed the draft plan for 1985-1990. The planning boards of the above jurisdictions must clearly indicate implementing measures, the private and associational component and support needed from the Ministry of Building, the State Planning Commission, and other ministries. The provinces of eastern Nam Bo must figure in the highest level of capability in order to meet their local needs and those of the provinces of the Mekong River Delta.

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CSO: 4209/248

LIGHT INDUSTRY

HO CHI MINH CITY DEVELOPS TEXTILE INDUSTRY

Hanoi NHAN DAN in Vietnamese 10 Nov 85 p 1

[Text] On 5 November, Ho Chi Minh City municipal-level leadership comrades of the textile sector held a conference on how to promote more rapid development in the textile industry in the city in response to the clothing needs of workers throughout the south and export needs.

The conference conducted an evaluation of the production capacity of the textile sector, from milling machinery, equipment, and parts to sources of raw materials, to enable the sector to operate continuously and raise the output and quality of fabrics, and there was unanimous agreement that the textile sector is not yet providing the people, especially workers and peasants, the volume of fabric demanded, nor is it satisfying preferences in color and style of tailoring, and the volume of high-value fabric for export is still limited.

New methods must be generated for maintaining and developing production of the 17,000 handicraft looms in the city, for this is not only a solution to an economic problem, but is a matter of socio-political importance in the city. To greatly improve the handicraft textile sector, the conference considered it no longer reasonable for state-operated enterprises to monopolize thread, glue, and dye and for handicraft looms to only do processing and to be passive in all operations, from the raw materials phase to product distribution. The proposal was made that, along with making contributions from the people, the handicrafts and small industry textile sector can carry out the formula of buying raw materials and selling products, and this is the only way to generate initiative in the selection of goods.

If in-depth investments are made, and old equipment replaced, an output of 500-600 million meters of fabrics will not be beyond the capability of the textile sector in southern provinces. To strongly develop the textile sector and textile products, it was suggested that imported textiles should be taxed heavily and sold at high prices, and that the quality of fabrics and garments must be raised. Only then will our textiles have a high value. The conference proposed that the state permit the establishment of an import organization specializing in the textile sector, and that the machinery-manufacturing sector gear up to produce equipment and parts for the textile industry, etc.

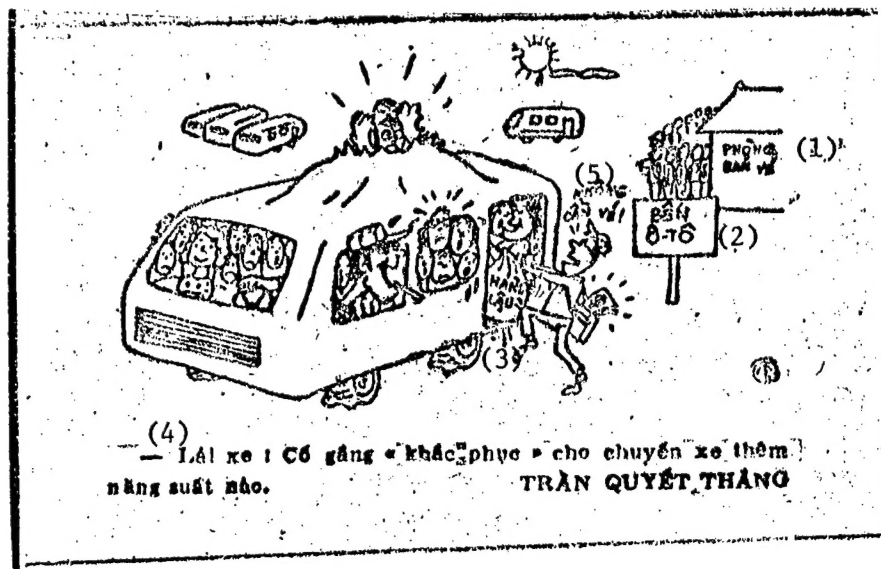
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CSO: 4209/180

TRANSPORTATION AND COMMUNICATIONS

PROFITS FROM CONTRABAND PUT OVER PASSENGER COMFORT

Hanoi VAN NGHE in Vietnamese 14 Dec 85 p 15

[Cartoon]



- Key:
1. Ticket office
 2. Bus stop
 3. Contraband
 4. Driver: Squeeze in closer so that this trip can be more productive
 5. No ticket needed [i.e., the contraband, as a money maker, does not need to pay fare].

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END